

PINAL COUNTY, ARIZONA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2013



East Elevation of the Pinal County Courthouse
Joe Pyritz, Interim Communication and
Public Affairs Director

Pinal County government protects and enhances its citizens' quality of life by providing public services in an ethical, efficient, and responsible manner delivered by a motivated, skilled and courteous workforce.

Pinal County, Arizona
Comprehensive Annual Financial Report
For the Fiscal Year Ended
June 30, 2013

Prepared by:

The Pinal County Finance Department

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Introductory Section



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PINAL COUNTY, ARIZONA
2012-2013 COMPREHENSIVE ANNUAL FINANCIAL REPORT

LETTER OF TRANSMITTAL

April 25, 2014

The Honorable Board of Supervisors
and the Citizens of Pinal County, Arizona:

Arizona Revised Statute (A.R.S.) § 41-1279.21 requires the Office of the Auditor General or a firm of licensed certified public accountants contracted by the Auditor General to conduct financial audits of the accounts and records of County governments. Pursuant to the statute, the Office of the Auditor General contracted with Walker & Armstrong LLP to audit the Pinal County (the County) Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2013. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified (clean) opinion that the County's basic financial statements for the fiscal year ended June 30, 2013 are fairly presented in conformity with generally accepted accounting principles (GAAP). The independent auditor's report is located at the front of the financial section of this report.

This report consists of management's representations concerning the finances of the County. Consequently, management assumes full responsibility for the completeness and reliability of the information presented in this report. To provide a reasonable basis for making these representations, the management of the County has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the County's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the County's comprehensive framework of internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The independent audit of the financial statements of the County was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the County's separately issued Single Audit Report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The County's MD&A can be found immediately following the report of the independent auditors.

Pinal County Profile

The County was founded in 1875 and is located in the south-central part of the State of Arizona, bordered on the north by Maricopa County and on the south by Pima County. Florence, established in 1866 was designated and has remained the county seat. This location, approximately halfway between Phoenix to the north and Tucson to the south, the two largest cities in Arizona, presents some unique problems to the County. Generally rural in nature, the County has a smaller tax base than either Maricopa or Pima counties, yet proximity to these major metropolitan areas keeps labor and supply costs high.

The County encompasses approximately 5,400 square miles. The principal geographic features consist of mountains with elevations to 6,000 feet in the eastern portion and low desert valleys in the western portion of the County. All of Pinal County is considered part of the Phoenix-Mesa-Glendale, AZ MSA.

The June 30, 2013 population of the County was estimated to be 387,000. The communities of Mammoth, Oracle, San Manuel, and Kearny have traditionally been active in copper mining, smelting, milling and refining, and tourism. Arizona City, Eloy, Maricopa, Picacho, Red Rock, and Stanfield have agriculture based economies. Apache Junction, Maricopa, Coolidge, Eloy, and particularly Casa Grande have diversified their economic base to include manufacturing, trade and services.

This expansion and diversification has been facilitated by their location in the major growth corridor between Phoenix and Tucson near the junction of I-10 and I-8, except for Apache Junction, which is to the east of Mesa. Most of the southern $\frac{3}{4}$ of Pinal County and a small area in Apache Junction are designated as Enterprise Zones.

The governing body of Pinal County is the Board of Supervisors, which sets policy for the administration of the County. The Board of Supervisors is comprised of five board members that are elected for a four-year term by the voters of the district in which each member resides. The Board of Supervisors appoints a County Manager to act as the administrative head of the County. The County Manager serves at the pleasure of the Board of Supervisors, carries out the policies established by the Board of Supervisors, directs business and administrative procedures, and recommends officers and personnel to be appointed by the Board of Supervisors. The County has several elected officials including the Assessor, Clerk of the Superior Court, Constables, County Attorney, Recorder, Sheriff, Superintendent of Schools, and the Treasurer.

The County provides a full range of services, including law enforcement and public safety, health care, sanitation, welfare programs, construction and maintenance of highways, streets and related infrastructure, recreational services and cultural activities, and education.

The financial reporting entity includes all activities of the primary government (Pinal County) and its component units. Component units are legally separate entities for which the County is financially accountable. Blended component units, although legally separate entities, are, in substance, part of the primary government's operations and are included as part of the primary government. Additional information can be found in the notes to the financial statements (See Note 1.A).

The annual budget serves as the foundation for Pinal County's financial planning and control. The County maintains budgetary controls, the objective of which is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of Supervisors. Activities of the General Fund, certain Special Revenue Funds, Debt Service Funds, and Capital Projects Funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is the department level. Management further controls budgets by not allowing personnel savings to be reprogrammed to supplies and services within a department. Budgets for the Enterprise Funds are set for management purposes only. Pinal County's annual budget is available on the internet at the following address: <http://www.pinalcountyz.gov/departments/budgetoffice/>.

Information Useful in Assessing Pinal County's Economic Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the County operates. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Local economy - The major economic activities within Pinal County include mining, farming, food manufacturing, tourism, transportation and logistics, aerospace and defense, and health services. Copper mining is the chief economic activity in the eastern portion of Pinal County. BHP Copper Inc., headquartered in Tucson, has mines located in Miami and Pinto Valley (Gila County). BHP is scheduled to open a mine within the next several years in Copper Creek (in Pinal County). ASARCO Inc., headquartered in Hayden (Gila County), has a mine in Ray (Pinal County), as well as one in Hayden at the headquarters.

Irrigated farming is prevalent in the low desert valleys of the western portion of Pinal County. Principal crops grown in the area include cotton, alfalfa and grain while plantings of specialty crops, including pecans, almonds, pistachio nuts, and vineyards, have been increasing. Cattle comprise the major livestock population, with sheep being the second largest part of that population. In addition, horses and horse-related events are popular activities in the western-oriented life style of the County.

Tourism also impacts the local economy as a mild climate and several points of interest attract tourists and winter visitors. Attractions include the Casa Grande Valley Historical Museum, the Biosphere II (largest living laboratory in the world), the Lost Dutchman State Park, the Casa Grande Ruins National Monument near Coolidge, and the Boyce Thompson Arboretum, located just outside Superior. Additional tourist spots include the Superstition Mountains Wilderness Area, which offers hiking and exploring for visitors in search of the Lost Dutchman's gold mine; Picacho Peak State Park, offering hiking, camping and picnic areas; and the Pinal Pioneer Parkway and the Apache Trail, two scenic drives with a variety of desert vegetation. For those tourists with a desire for more action, Eloy is an international location for skydiving.

A major factor in employment in the County is the prisons, both governmental and private. The State of Arizona operates prisons in Pinal County, including the State's maximum-security prison in Florence. Corrections Corporation of America (CCA) operates several private prisons, in Florence, Eloy, and La Palma, which is the largest CCA facility in the country. Also, there is a Federal Immigration Services facility in Florence.

Arizona's economy has been following suit with the national and most other state economies. Similar to the National and State economies, Pinal County follows the pattern of moderate growth. Stabilization in the residential home market and modest growth in retail sales across the state resulted in greater sales tax revenue, both County and State shared.

Long – Term Financial Planning - The County's responsiveness to emerging economic challenges and its careful long-range planning have been key factors in Pinal County's fiscal health. Fiscal conservatism, a streamlined budget, and operating efficiencies have resulted in a solid financial position for the County at the close of FY 2012-2013.

Relevant Financial Policies - Pinal County financial policies include the following:

- **Fiscal Conservatism:** Ensure the County is in a solid financial condition at all times, current revenues will be sufficient to support current operating expenditures. The County performs monthly reviews of operating budgets for all funds regardless of funding source.
- **Flexibility:** Ensure the County is in a position to respond to changes in the economy or new service challenges without undue amounts of financial stress.
- **Adherence to the Highest Accounting and Management Practices:** Comply with the Government Finance Officer's Association (GFOA) standards for reporting and budgeting, the Governmental Accounting Standards Board (GASB) and State reporting requirements.
- **Maintain Reserve:** Fund Balance coverage for the General Fund will be maintained at a minimum of 15% of adopted General Fund expenditures.

Major Initiatives. During FY 2012-2013 Pinal County continued to invest in basic government service programs and amenities. The planning parameters were Regional Leadership, Growth, Public Safety, Healthcare, Transportation, Jobs and Economic Development, and Accountability.

Initiatives to shape and maintain Pinal County as a sustainable community include:

- Focus on maintaining a strong credit rating in order to obtain desirable rates and terms for any necessary financing. On June 30, 2013, Standard & Poor's affirmed Pinal County's Certificates of Participation at A+ with a stable outlook. The County has not issued any new debt during the current fiscal year.
- Cost containment and improving efficiencies continue to be a top priority to help ensure the financial wellbeing of the County, while maintaining an adequate level of reserves.
- Two new health clinics in Maricopa and San Tan Valley are operational and improve access to vital health care, immunizations, disease prevention, nutrition, and wellness programs.

- The completion of the restoration of the 1891 Pinal County Courthouse provides additional office space for five supervisors and related administration offices. The fully restored building includes multiple community and meeting rooms, as well as a gallery to showcase historical documents reflecting the history of Pinal County and the 1891 Courthouse.
- Seeking support at state and federal level for necessary approvals for the following:
 - efforts to plan and engineer ways to reduce flooding in the Lower Santa Cruz River Watershed.
 - funding to widen Hunt Highway to reduce congestion, improve commute times and attract more businesses to the area while also reducing dust and vehicle emission in the San Tan Valley area.
 - funding to pave dirt roads to reduce the amount of particulate matter (dust & dirt) in the air.
- A Corridor Study, in conjunction with the cities of Casa Grande and Maricopa, to define and obtain environmental approvals for an east-west parkway that will connect State Route 347 (in Maricopa) to Interstate 10 (in Casa Grande). Additionally, the County completed design and property acquisition for the first phase of the Hunt Highway improvement project.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Pinal County for its comprehensive annual financial report for the fiscal year ended June 30, 2012. This was the 17th consecutive year that Pinal County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, Pinal County published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

The preparation of this report would not have been possible without the efficient, effective and dedicated services of the entire staff of the Finance Department, the assistance of administrative personnel in the various departments, and through the competent service of Walker & Armstrong LLP, Certified Public Accountants and the Arizona State Auditor General's Office. I appreciate all of those who assisted in and contributed to the preparation of this report. I also wish to express my sincere appreciation to the members of the Board of Supervisors, the County Manager, and the Assistant County Manager for Administrative Services for their unflinching support in maintaining the highest standards of professionalism in the management of Pinal County's finances.

Respectfully submitted,

Levi D. Gibson, CPA, M. Acc., CFIP
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

Pinal County
Arizona

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2012

Executive Director/CEO

PINAL COUNTY

PINAL COUNTY VOTERS

ELECTED OFFICIALS
Douglas Wolf, Assessor
Lando Voyles, Attorney
Chad Roche, Clerk of the Court
Virginia Ross, Recorder/Elections
Jill Broussard, School Superintendent
Paul Babeu, Sheriff
Dolores J. Doolittle, Treasurer
Superior Court Justices (10)
Adult Probation
Juvenile Court Services
Justices of the Peace (8)

Clerk Of the Board
Sheri Cluff

Board of Supervisors
Pete Rios, District 1
Cheryl Chase, District 2
Steve Miller, District 3
Anthony Smith, District 4
Todd House, District 5

Interim Internal Audit Officer
Kate Witek

County Manager
Greg Stanley

Interim Budget & Research
Jason Konrad

Interim Communications & Public Affairs
Joe Pyritz

Economic Development
Timothy Kanavel

Strategic Planning
Kent Taylor

Assistant County Manager
Leo Lew

Assistant County Manager
Vacant

Levi D. Gibson, **Finance Director**
Cathy Bohland, **Human Resources Director**
Steven Frazier, **Chief Information Officer**
Tom Schryer, **Public Health Director**
R. E. Glos, **Environmental Health Director**
April Elliott, **Public Defender**
Denise Keller, **Library District Director**
Jennifer Kelly, **Correctional Health Director**
Adeline Allen, **Housing Director**

Don Gabrielson, **Air Quality Director**
Tony Guasp, **Building Safety Director Interim**
Jerrold Stabley, **Planning & Development Director**
Louis Andersen, **Public Works Director**
Jack Flindt, **Fleet Services/Risk Management Director**
Tom Celaya, **Facilities Management Director**
Kaye Dickson, **Animal Care & Control Director**

PINAL COUNTY
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2013
County Officials

Elected Officials

Supervisor, District 1	Pete Rios
Supervisor, District 2	Cheryl Chase
Supervisor, District 3	Steve Miller
Supervisor, District 4	Anthony Smith
Supervisor, District 5	Todd House
Assessor	Douglas Wolf
Attorney	Lando Voyles
Clerk of Superior Court	Chad A. Roche
Recorder/Elections	Virginia Ross
School Superintendent	Jill Broussard
Sheriff	Paul Babeu
Superior Court Judge, Division 1	Honorable Gilberto V. Figueroa
Superior Court Judge, Division 2	Honorable Stephen F. McCarville
Superior Court Judge, Division 3	Honorable Kevin D. White
Superior Court Judge, Division 4	Honorable Joseph R. Georgini
Superior Court Judge, Division 5	Honorable Brenda E. Oldham
Superior Court Judge, Division 6	Honorable Steven J. Fuller
Superior Court Judge, Division 7	Honorable Daniel A. Washburn
Superior Court Judge, Division 8	Honorable Jason Holmberg
Superior Court Judge, Division 9	Honorable Henry G. Gooday
Superior Court Judge, Division 10	Honorable Robert Carter Olson
Treasurer	Dolores J. Doolittle
Justices of the Peace (8) and Constables (8)	Various

Appointed Officials

County Manager	Greg Stanley
Interim Internal Audit Officer	Kate Witek
Clerk of the Board	Sheri Cluff
Assistant County Manager	Leo Lew
Assistant County Manager	Vacant
Finance Director	Levi D. Gibson
Public Works Director	Louis Andersen
Planning & Development Director	Jerrold Stabley
Public Defender	April Elliott
Library District Director	Denise Keller
Interim Budget Director	Jason Konrad
Building Safety Director	Tony Guasp
Facilities Management Director	Tom Celaya
Fleet Services/Risk Management Director	Jack Flindt
Human Resources Director	Cathy Bohland
Chief Information Officer	Steven Frazier
Air Quality Director	Donald Gabrielson
Animal Care & Control Director	Kaye Dickson
Housing Director	Adeline Allen
Behavioral Health, Public Fiduciary Director	Joan Sacramento
Public Health Director	Thomas Schryer
Correctional Health Director	Jennifer Kelly
Environmental Health Director	R.E. Glos

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Financial Section



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Independent Auditors' Report

The Auditor General of the State of Arizona

Honorable Board of Supervisors of
Pinal County, Arizona

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of Pinal County, Arizona ("Pinal County") as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise Pinal County's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the following financial statements:

- Housing and community development fund, which represents 1.32 percent, 1.68 percent and 2.61 percent of the total assets, net position, and revenues, respectively, of the governmental activities opinion unit and .54 percent, .45 percent and .69 percent, respectively, of the total assets, fund balances/net position and revenues and additions of the aggregate remaining fund information opinion unit;
- Employee benefit trust fund, which represents .98 percent, .86 percent and 7.42 percent of the total assets, net position and revenues, respectively, of the governmental activities opinion unit and 3.43 percent, 2.24 percent and 2.78 percent, respectively, of the total assets, fund balances/net position and revenues and additions of the aggregate remaining fund information opinion unit.

Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for the housing and community development and employee benefit trust funds are based solely on the reports of the other auditors. We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the County's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and aggregate remaining fund information of Pinal County as of June 30, 2013, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with U.S. generally accepted accounting principles.

Emphasis of Matter

For the year ended June 30, 2013, the County implemented the provisions of GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. GASB Statement No. 63 provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures.

Other Matters

Required Supplementary Information

U.S. generally accepted accounting principles require that the Management's Discussion and Analysis on pages 5 through 19, the Budgetary Comparison Schedules on pages 65 through 70, and the Schedule of Agent Retirement Plans' Funding Progress on pages 71 through 72 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and the other auditors have applied certain limited procedures to the required supplementary information in accordance with U.S. generally accepted auditing standards, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Pinal County's basic financial statements. The combining and individual fund statements and schedules and the introductory and statistical sections listed in the table of contents are presented for purposes of additional analysis and are not required parts of the basic financial statements.

The combining and individual fund statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, based on our audit, the procedures performed as described above, and the reports of the other auditors, the combining and individual fund statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Compliance Over the Use of Highway User Revenue Fund and Other Dedicated State Transportation Revenue Monies

In connection with our audit, nothing came to our attention that caused us to believe that Pinal County failed to use highway user revenue fund monies received by Pinal County pursuant to Arizona Revised Statutes Title 28, Chapter 18, Article 2, and any other dedicated state transportation revenues received by Pinal County solely for the authorized transportation purposes, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding Pinal County's noncompliance with the use of highway user revenue fund monies and other dedicated state transportation revenues, insofar as they relate to accounting matters.

The communication related to compliance over the use of highway user revenue fund and other dedicated state transportation revenue monies in the preceding paragraph is intended solely for the information and use of the members of the Arizona State Legislature, the Auditor General of the State of Arizona, the Board of Supervisors, management, and other responsible parties within the County and is not intended to be and should not be used by anyone other than these specified parties.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 25, 2014 on our consideration of Pinal County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Walker & Armstrong, LLP

Phoenix, Arizona
April 25, 2014

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PINAL COUNTY Management's Discussion and Analysis

As management of Pinal County (County), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2013. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages vii – x of this report. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

FINANCIAL HIGHLIGHTS

- The assets of the County exceeded liabilities at the close of fiscal year 2013 by \$468,210 (net position). Of this amount, \$57,201 (unrestricted net position) may be used to meet ongoing obligations to citizens and creditors.
- The County's total net position decreased by \$363 primarily due to decreased revenues for property taxes levied compared to the prior year.
- As of June 30, 2013, the County's governmental funds reported combined fund balances of \$146,574, a decrease of \$6,871 in comparison with the prior year. Approximately 35% of the combined fund balances, or \$51,805, is available for spending at the County's discretion (assigned & unassigned fund balance).
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$47,326, or 31% of total General Fund expenditures.
- The County's total long-term liabilities as of June 30, 2013, were \$162,011. Certificates of participation, revenue bonds, and loans payable, including unamortized premiums, represent 89% of the total. The final payments on the certificates of participation are due in fiscal year 2030. The final payments on the loans payable are due in fiscal years 2019 and 2025. The final payments for the revenue bonds are due in fiscal years 2021 and 2036.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements consist of three components: 1) government-wide financial statements; 2) fund financial statements and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements are designed to provide readers with a broad overview of County finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the County's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The *statement of activities* presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

PINAL COUNTY Management's Discussion and Analysis

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government, public safety, highways and streets, sanitation, health, welfare, culture and recreation, and education. The business-type activities of the County include Long Term Care, Sheriff Inmate Services, and Airport Economic Development.

The government-wide financial statements can be found on pages 21-22 of this report.

Fund Financial Statements are groupings of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: *governmental funds*, *proprietary funds*, and *fiduciary funds*.

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows* and *outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances include a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The County uses 182 individual governmental funds to satisfy legal and operating requirements. Some of these funds are combined according to their functional basis for financial reporting purposes. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General, Road Tax Districts, Public Works Highway, and Development Impact Fee funds. Data from the other governmental funds are combined into a single, aggregated presentation. Fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The County adopts an annual appropriated budget for its General Fund and other governmental funds. A budgetary comparison schedule has been provided for the General Fund and major Special Revenue Funds to demonstrate compliance with this budget. These statements can be found on pages 65-70.

The basic governmental fund financial statements can be found on pages 23-26 of this report.

Proprietary funds are maintained in two ways. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses enterprise funds to account for Long Term Care, Sheriff Inmate Services, and Airport Economic Development. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses an internal service fund to account for the Employee Benefit Trust. Because the services of internal service funds predominantly benefit governmental rather than business-type activities, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. Pinal County Long Term Care operations are considered to be a major fund of the County. Fund data for the other enterprise funds are combined into a single, aggregated presentation provided in the form of *combining statements* elsewhere in this report. The County's internal service fund is presented separately in the proprietary fund financial statements.

PINAL COUNTY
Management's Discussion and Analysis

The proprietary fund financial statements can be found on pages 27-30 of this report.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The fiduciary fund financial statements can be found on pages 31-32 of this report.

Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 33-63 of this report.

Required Supplementary Information is presented in addition to the basic financial statements and accompanying notes, concerning the County's progress in funding its obligation to provide pension benefits to its employees. Budgetary comparison schedules previously discussed are also included in this section. Required supplementary information can be found on pages 65-72 of this report.

Combining Statements and Other Schedules referred to earlier in connection with non-major governmental funds and non-major enterprise funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules including statistical information can be found on pages 73-162 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. County assets exceeded liabilities by \$468,210 at the close of the most recent fiscal year.

Governmental Activities – Statement of Net Position

A significant portion of the net position (68%) reflects net investment in capital assets (e.g., land, buildings, infrastructure, and equipment) less any debt used to acquire these assets that is still outstanding. The County uses these assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the net position (20%) represents resources that are subject to external restrictions on how they may be used. A majority of restrictions are imposed by grantor agencies and creditors. The remaining balance of *unrestricted net assets* (\$56,415) may be used to meet the government's ongoing obligations to citizens and creditors.

The net position increased by \$1,164 from net position reported at June 30, 2012. The majority of this growth in net position is due to increased sales taxes, both County and State shared, increased road improvement taxes, and payments in lieu of taxes.

Current and other assets decreased 5%. Notable changes included a decrease in property taxes receivables which is in line with the decreased property taxes levied in the current year. The decrease is also attributed to a decrease in unspent bond proceeds that were used for construction projects.

Capital assets remained about the same decreasing by less than 1% in total. This decrease is attributable to a decrease in roads, easements, and right of ways contributed to the County consistent with the reduction of major road construction experienced in recent years.

Long-term liabilities decreased in the current year by 6%, as the County did not issue any major new debt, while continuing to make debt service payments on existing debt.

PINAL COUNTY
Management's Discussion and Analysis

Business-type Activities – Statement of Net Position

A significant portion of the net position (71%) reflects net investment in capital assets (e.g., buildings, infrastructure, and equipment).

An additional portion of the net position (4%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net assets* (\$786) makes up 25% of net position.

The net position decreased by \$1,527 from net position reported at June 30, 2012. The majority of this decline in net position is due to the discontinuation of the Long Term Care Fund.

Current and other assets decreased 60%. This decline is due to the discontinuation of the Long Term Care Fund that was concluding operations in the previous year.

Capital assets increased 41%. This increase is attributable to an increase in construction in progress for the Airport Improvement fund.

Long-term liabilities increased 14%. This increase is attributable to an increase in compensated absences from the previous fiscal year.

Condensed Statement of Net Position						
June 30, 2013 and 2012						
	Governmental		Business-type		Total	
	Activities		Activities			
	2013	2012	2013	2012	2013	2012
Current and other assets	\$ 182,024	\$ 190,976	\$ 1,314	\$ 3,289	\$ 183,338	\$ 194,265
Capital assets	461,301	463,673	2,269	1,608	463,570	465,281
Total assets	643,325	654,649	3,583	4,897	646,908	659,546
Other liabilities	16,331	17,780	356	147	16,687	17,927
Long-term liabilities	161,978	173,017	33	29	162,011	173,046
Total liabilities	178,309	190,797	389	176	178,698	190,973
Net position:						
Net investment in						
capital assets	317,867	311,004	2,269	1,608	320,136	312,612
Restricted net position	90,734	94,611	139	450	90,873	95,061
Unrestricted net position	56,415	58,237	786	2,663	57,201	60,900
Total net position	\$ 465,016	\$ 463,852	\$ 3,194	\$ 4,721	\$ 468,210	\$ 468,573

PINAL COUNTY
Management's Discussion and Analysis

Governmental Activities – Statement of Activities

- General revenue property taxes decreased by \$5,766 (6%) during the year. The decrease is primarily due to decreases in property taxes levied in the current year as well as decreases in assessed property values.
- Charges for services increased by \$2,822 (8%), primarily due to increases of revenue received from the Immigration and Customs Enforcement (ICE) fees. The increase is also attributable to \$1,985 of an increase in impact fees and fees collected for building and planning as a result of an increase in development activity.
- Operating grants and contributions increased by \$1,326 (4%), primarily due to an increase in intergovernmental revenues for the Accommodation School and an increase in restricted vehicle license taxes received from the State of Arizona.
- Capital grants and contributions are lower by \$2,115 (9%) from the prior year primarily due to a decrease of contributions of capital assets, particularly for infrastructure (roads) and land.
- Expenses remained about the same decreasing by less than 1%. Notable changes included a decrease in general government, health, and education functions. The decrease in general government was primarily due to a decrease in supplies, outside services, and property services. The decrease in health was primarily due to decreases in hospital services and autopsies. The decrease in education was primarily due to a decrease in expenditures for the Accommodation School.

Business-type activities – Statement of Activities

Business-type activities decreased the County's net position by \$1,527.

- Charges for services decreased by \$17,797 (97%) and expenses decreased by \$18,401 (93%) due to the discontinuation of the Long Term Care Fund, Home Health Fund and Fairgrounds Fund.

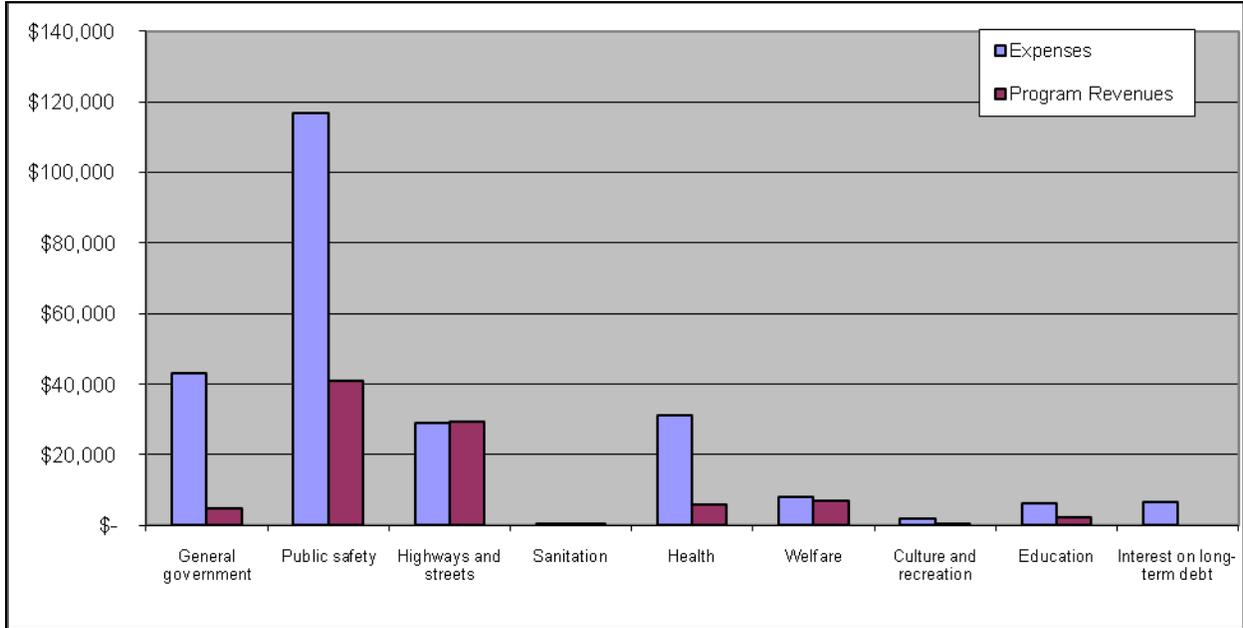
The following table summarizes the changes in net position for governmental and business-type activities.

PINAL COUNTY
Management's Discussion and Analysis

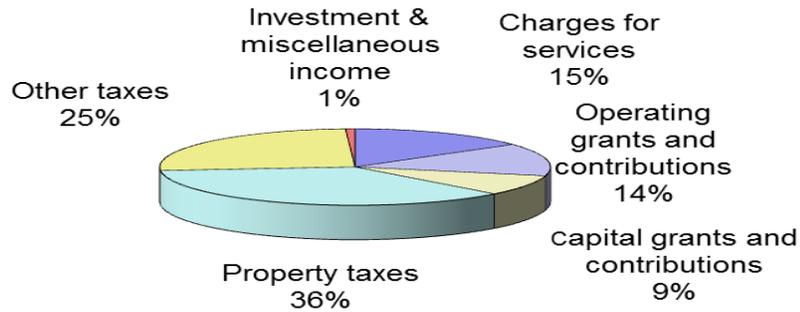
Condensed Statement of Activities Years Ended June 30, 2013 and 2012						
	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Revenues						
Program revenues:						
Charges for services	\$ 36,295	\$ 33,473	\$ 602	\$ 18,399	\$ 36,897	\$ 51,872
Operating grants and contributions	33,498	32,172	625	122	34,123	32,294
Capital grants and contributions	21,031	23,146	-	-	21,031	23,146
General revenues:						
Property taxes	87,584	93,350	-	-	87,584	93,350
Other taxes	62,480	60,557	-	-	62,480	60,557
Investment earnings	360	690	7	37	367	727
Miscellaneous	1,547	2,178	678	964	2,225	3,142
Total revenues	<u>242,795</u>	<u>245,566</u>	<u>1,912</u>	<u>19,522</u>	<u>244,707</u>	<u>265,088</u>
Expenses						
General government	43,152	46,024	-	-	43,152	46,024
Public safety	116,653	113,497	-	-	116,653	113,497
Highways and streets	29,183	28,937	-	-	29,183	28,937
Sanitation	324	422	-	-	324	422
Health	31,132	33,182	-	-	31,132	33,182
Welfare	8,161	6,217	-	-	8,161	6,217
Culture and recreation	1,942	2,002	-	-	1,942	2,002
Education	6,431	6,733	-	-	6,431	6,733
Interest on long-term debt	6,673	7,039	-	-	6,673	7,039
Sheriff Inmate Services	-	-	836	742	836	742
Home Health	-	-	-	1,953	-	1,953
Long Term Care	-	-	68	16,623	68	16,623
Fairgrounds	-	-	-	85	-	85
Airport Economic Development	-	-	515	417	515	417
Total expenses	<u>243,651</u>	<u>244,053</u>	<u>1,419</u>	<u>19,820</u>	<u>245,070</u>	<u>263,873</u>
Increase (decrease) in net position before reassignment of debt and transfers						
	(856)	1,513	493	(298)	(363)	1,215
Reassignment of debt	-	(2,131)		2,131		
Transfers	2,020	8,980	(2,020)	(8,980)	-	-
Change in net position	<u>1,164</u>	<u>8,362</u>	<u>(1,527)</u>	<u>(7,147)</u>	<u>(363)</u>	<u>1,215</u>
Net position - beginning, as restated	<u>463,852</u>	<u>455,490</u>	<u>4,721</u>	<u>11,868</u>	<u>468,573</u>	<u>467,358</u>
Net position - ending	<u>\$ 465,016</u>	<u>\$ 463,852</u>	<u>\$ 3,194</u>	<u>\$ 4,721</u>	<u>\$ 468,210</u>	<u>\$ 468,573</u>

**PINAL COUNTY
Management's Discussion and Analysis**

**Expenses and Program Revenues – Governmental Activities
Fiscal Year 2013**

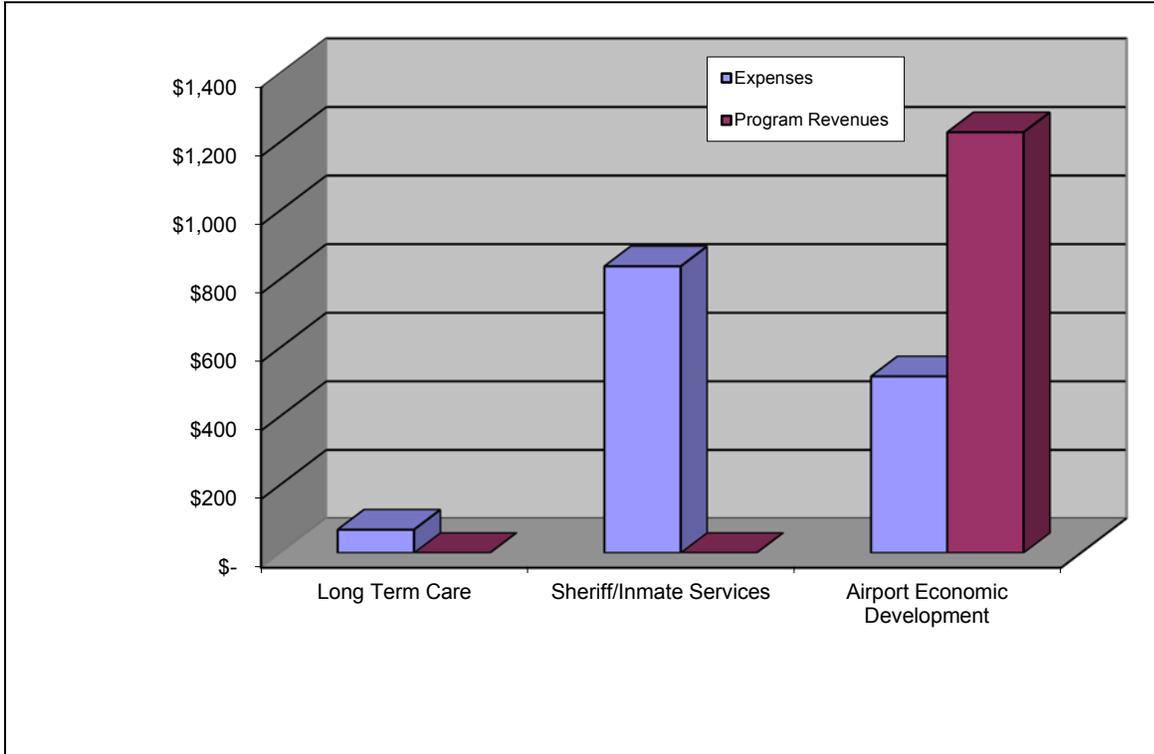


**Revenues by Source - Governmental Activities
Fiscal Year 2013**

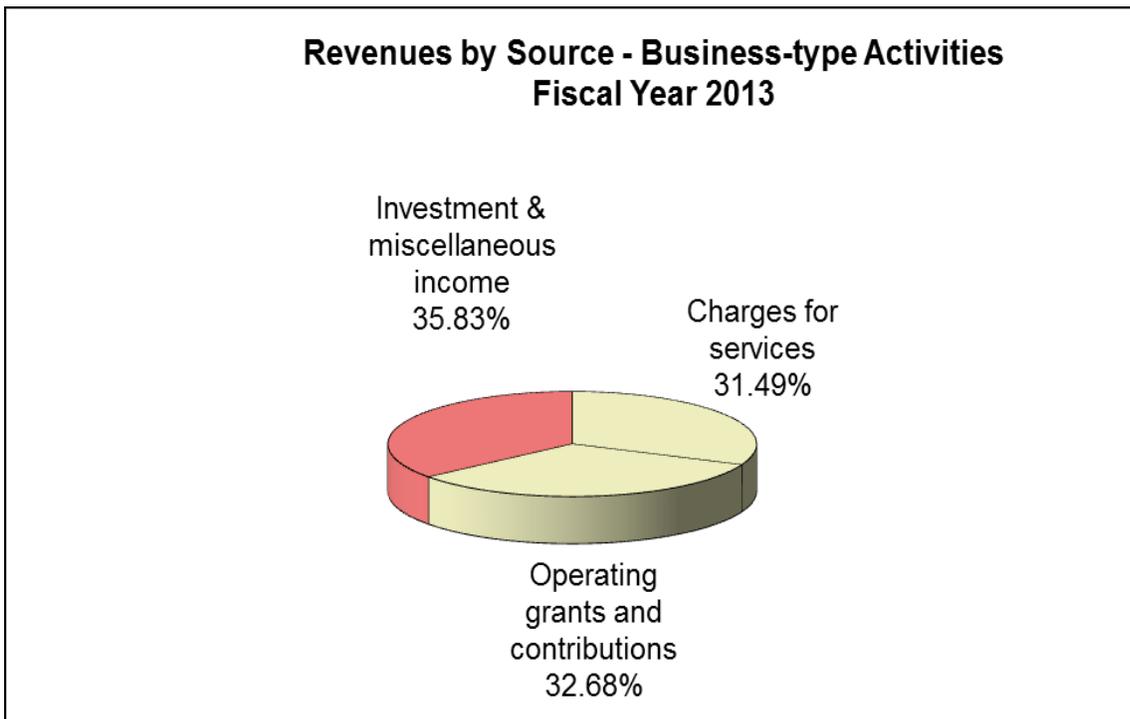


**PINAL COUNTY
Management's Discussion and Analysis**

**Expenses and Program Revenues – Business-type Activities
Fiscal Year 2013**



**Revenues by Source - Business-type Activities
Fiscal Year 2013**



PINAL COUNTY
Management's Discussion and Analysis

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds

The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At June 30, 2013, the County's governmental funds reported combined fund balance of \$146,574, a decrease of \$6,871 in comparison with the prior year. Less than 1%, \$108 of the combined fund balance constitutes *nonspendable fund balance*, made up of prepaid items and inventories that do not represent available spendable resources. Approximately 63% of the combined fund balance, \$92,029 constitutes *restricted fund balance* which represents resources that are subject to external restrictions on how they may be used. The remaining 37% of the combined fund balance is comprised of unassigned fund balance of \$47,326 which is available for spending at the County's discretion, while amounts of \$2,632 and \$4,479 of committed and assigned fund balances, respectively have to be spent under the conditions specified by the Board of Supervisors and County Management.

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$47,326 which equaled the total unassigned fund balance for all governmental funds. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 30.8% of total General Fund expenditures and total fund balance of \$48,041 represents 31.3% of total General Fund expenditures.

The total fund balance of the County's General Fund increased during the fiscal year by \$4,312. Key factors in the increase to fund balance are the reduced expenditures in the general government function, which services and supports the County's general operations including those mandated by statute, as well as a reclassification from the general government function to the health function for Arizona Long-Term Care System contributions paid to the State of Arizona.

The Road Tax Districts Fund total fund balance decreased during the fiscal year by \$1,025. The decrease is primarily attributed to expenditures for the construction of the Hanna Road, Harmon Road, and Hunt Highway projects. An additional factor that contributed to the decrease is an increase in transfers to debt service for loans payable.

The Public Works Highway Fund total fund balance increased during the year by \$3,209. This increase is mainly attributable to an increase in HURF revenues and a decrease in debt service payments, specifically, capital lease payments for heavy equipment.

The Development Impact Fee Fund total fund balance increased during the fiscal year by \$3,199. This increase is mainly attributable to an increase in the fees paid by developers. The fund continued to provide some money through operating transfers for debt service payments of the County's Greater Arizona Development Authority 2006 loan.

PINAL COUNTY
Management's Discussion and Analysis

Overview of all governmental funds

Revenues for governmental funds totaled \$242,503 in fiscal year 2013, which represents a decrease of 1% from fiscal year 2012.

The following table presents the amount of revenues from various sources as well as increases or decreases from the prior year.

Governmental Funds Revenues Classified by Source For the Years Ended June 30, 2013 and 2012						
	<u>2013</u>		<u>2012</u>		<u>Variance</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Taxes	\$ 111,292	45.89%	\$ 115,068	46.96%	\$ (3,776)	-3.28%
Licenses and permits	3,546	1.46%	3,005	1.23%	541	18.00%
Intergovernmental	91,258	37.63%	91,928	37.51%	(670)	-0.73%
Charges for services	29,309	12.10%	28,925	11.80%	384	1.33%
Fines and forfeits	4,152	1.71%	3,482	1.42%	670	19.24%
Investment earnings	360	0.15%	690	0.28%	(330)	-47.83%
Contributions	805	0.33%	393	0.16%	412	104.83%
Rentals	396	0.16%	430	0.18%	(34)	-7.91%
Micellaneous	1,385	0.57%	1,138	0.46%	247	21.70%
Total revenues	<u>\$ 242,503</u>	<u>100.00%</u>	<u>\$ 245,059</u>	<u>100.00%</u>	<u>\$ (2,556)</u>	<u>-1.04%</u>

The following provides an explanation of revenues by source that changed significantly over the prior year.

- Taxes – the decrease of \$3,776 was primarily due to a decrease in property taxes revenue levied from the prior year as the primary net assessed values decreased \$6,368 from the previous year.
- Licenses and permits – the increase of \$541 was primarily due to an increase in demand for planning and building permits issued and highway grading and drainage and floodplain permits.
- Fines and forfeits – the increase of \$670 was primarily due to increases in RICO forfeitures. This increase was offset by decreases in court fines and animal control fines.
- Investment earnings – the decrease of \$330 was primarily due to lower investment returns as a result of the continued challenges faced in the financial investment markets.
- Contributions – the increase in contributions of \$412 was primarily due to an increase in contributions for various construction road projects and an increase in health contributions for immunizations.

PINAL COUNTY
Management's Discussion and Analysis

The following table presents expenditures by function compared to prior year amounts.

Governmental Funds Expenditures by Function For the Years Ended June 30, 2013 and 2012						
Governmental Function	2013		2012		Variance	
	Amount	Percent	Amount	Percent	Amount	Percent
General government	\$ 35,916	14.24%	\$ 40,156	16.12%	\$ (4,240)	-10.56%
Public safety	117,950	46.78%	112,448	45.13%	5,502	4.89%
Highways and streets	26,525	10.52%	23,140	9.29%	3,385	14.63%
Sanitation	324	0.13%	422	0.17%	(98)	-23.22%
Health	31,130	12.35%	32,945	13.22%	(1,815)	-5.51%
Welfare	7,804	3.10%	5,902	2.37%	1,902	32.23%
Culture and recreation	1,888	0.75%	1,906	0.77%	(18)	-0.94%
Education	6,431	2.55%	6,733	2.70%	(302)	-4.49%
Capital outlay	6,449	2.55%	7,952	3.19%	(1,503)	-18.90%
Debt service:						
Principal retirement	10,746	4.26%	10,240	4.11%	506	4.94%
Interest	6,982	2.77%	7,292	2.93%	(310)	-4.25%
Miscellaneous	3	0.00%	3	0.00%	-	0.00%
Total expenditures	<u>\$ 252,148</u>	<u>100.00%</u>	<u>\$ 249,139</u>	<u>100.00%</u>	<u>\$ 3,009</u>	<u>1.21%</u>

The following provides an explanation of the expenditures by function that changed significantly over the prior year.

- General government – expenditures for general government decreased approximately 11% primarily due to decreases in supplies and property and professional services. In addition, there was a reclassification of health expenditures for contributions of Arizona Long Term Care System (ALTCS) to the State of Arizona that were included in general government.
- Public safety – expenditures for public safety increased approximately 5% primarily due to increases in fuel and oil expenditures and indigent legal services. There was also an increase in CCA contracting fees.
- Highways and streets – expenditures for highways and streets increased approximately 15% primarily due to an increase in construction services and fuel and oil. In addition, there was an increase in the purchases of land and easements and right-of-ways.
- Health – expenditures for health decreased approximately 6% primarily due to a decrease in hospital services and autopsies. The decrease is offset by an increase in contributions to the State of Arizona for ALTCS.
- Welfare – expenditures for welfare increased approximately 32% primarily due to increases in payroll and payroll related expenditures. This was offset by a decrease in funerals and burials.
- Capital outlay – expenditures for capital outlay decreased approximately 19% primarily due to a decrease in construction in progress which is attributable to an increase in buildings.

PINAL COUNTY
Management's Discussion and Analysis

Proprietary funds

The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position for the nonmajor enterprise funds totaled \$786. Net investment in capital assets and restricted net position totaled \$2,269 and \$139, respectively.

Other factors concerning the finances of these funds have already been addressed in the discussion of the County's business-type activities.

The following table shows actual revenues, expenses, and changes in net assets for the enterprise funds for the current fiscal year:

Enterprise Funds				
Schedule of Revenues, Expenses, and Changes in Net Position				
For the Year Ended June 30, 2013				
	<u>Major Fund</u>	<u>Nonmajor Funds</u>		
	<u>Long Term Care</u>	<u>Sheriff Inmate Services</u>	<u>Airport Economic Develop- ment</u>	<u>Total</u>
Operating revenues	\$ 12	\$ 620	\$ 648	\$ 1,280
Operating expenses	12	836	515	1,363
Operating income (loss)	-	(216)	133	(83)
Nonoperating revenues (expenses)	(52)	1	627	576
Net position (deficit) before transfers	(52)	(215)	760	493
Transfers	(1,901)	(100)	(19)	(2,020)
Change in net position	<u>\$ (1,953)</u>	<u>\$ (315)</u>	<u>\$ 741</u>	<u>\$ (1,527)</u>

GENERAL FUND BUDGETARY HIGHLIGHTS

- General Fund revenues were more than the final budget by \$2,095 or 1.13%, due to better than expected collections of Taxes and Charges for services which exceeded the budgeted amounts primarily due to an increase in County sales taxes and due to an increase in recorder fees.

General Fund expenditures were less than the budget by \$43,910 or 22.2%, due to the following reasons:

- The Assistant County Manager-Admin spent \$39,220 less than budgeted in the general government function primarily due to unspent funds, including the Board established Financial Stability Reserve and contingency funds not being used.

PINAL COUNTY
Management's Discussion and Analysis

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets

The County's capital assets for its governmental and business-type activities as of June 30, 2013, amounted to \$463,570 (net of accumulated depreciation). This investment in capital assets includes land and easements, infrastructure, buildings and improvements, machinery and equipment, software, and construction in progress.

Major capital asset events during the current fiscal year included the following:

Governmental activities:

- Donations of capital assets of \$1,931, which included easements and right-of-ways, contributed to the net increase in the County's land capital assets, while the completion of the County's renovation of the County's historic courthouse was the main reason for the increase in buildings and improvements.

Governmental and Business-type Activities Capital Assets (net of accumulated depreciation) June 30, 2013 and 2012						
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Land	\$ 183,730	\$ 182,382	\$ -	\$ -	\$ 183,730	\$ 182,382
Buildings and improvements	114,756	112,804	116	121	114,872	112,925
Machinery and equipment	9,367	10,035	684	714	10,051	10,749
Intangible - Software	667	699	-	56	667	755
Infrastructure	142,035	147,439	616	638	142,651	148,077
Construction in progress	10,746	10,314	853	79	11,599	10,393
Total	<u>\$ 461,301</u>	<u>\$ 463,673</u>	<u>\$ 2,269</u>	<u>\$ 1,608</u>	<u>\$ 463,570</u>	<u>\$ 465,281</u>

The County's infrastructure assets are recorded at actual cost when available or estimated historical cost when actual cost is not available, with donations being reported at estimated fair value in the government-wide financial statements as required by GASB Statement No. 34. The acquisition of new infrastructure assets is reported as Highways and Streets expenditures within the Public Works Highway, Public Works Roadways, and Flood Control Funds.

Additional information on the County's capital assets can be found in Note 5 on pages 45-46 of this report.

PINAL COUNTY
Management's Discussion and Analysis

Long-term Debt

At the end of the current fiscal year, the County had total long-term debt outstanding of \$146,486 for governmental activities as compared to \$157,510 in the prior year. This amount was comprised of \$28,434 of bonds payable, including unamortized discount on the revenue bonds and unamortized premium on the refunding revenue bonds, for the construction of two health clinics, the renovation of the County's historic courthouse and to refund a large portion of the certificates of participation, Series 2001, respectively; \$2,073 of capital leases; \$57,618 of certificates of participation, including unamortized premium; and \$58,361 of loans payable, including unamortized premium, for the Ironwood/Gantzel Road project, the animal shelter expansion project and several County building renovation projects.

Long-Term Debt			
June 30, 2013 and 2012			
	Outstanding Debt		Percent
	2013	2012	Change
Governmental Activities			
Loans payable	\$ 58,361	\$ 62,949	-7.29%
Certificates of participation	57,618	59,798	-3.65%
Obligations under capital leases	2,073	4,414	-53.04%
Bonds payable	28,434	30,349	-6.31%
Total	\$ 146,486	\$ 157,510	

Additional information on the County's long-term debt can be found in Note 9 on pages 47-52 of this report.

Economic Factors and Next Year's Budgets

- The current 2013, preliminary, seasonally adjusted, unemployment rate for the State of Arizona as of September was 8.3%.¹ The national rate at the same time was at 7.2%.² The average unemployment rate for Pinal County as of September was 8.7%. The State of Arizona seasonally adjusted unemployment increased 0.1% from one year ago and the average unemployment rate for Pinal County increased 0.4% from the prior year. Job increases exist across all fields and industries, with the exception of three fields (Manufacturing, Government, and Natural Resources and Mining, which remained flat).²
- The housing industry, which is progressively stabilizing, continues to be one of the largest factors affecting the State of Arizona. Although property tax receivables have decreased, we expect revenues from permits to increase as new home construction is improving.
- Rising medical costs continue to affect the County's available resources. Medical insurance costs are expected to increase next year. The County's Employee Health Benefit Trust has taken the necessary steps to ensure the Trust's viability, including an adjustment to contribution rates and employee co-pays.
- The County has projected \$28,800 of transaction privilege taxes to be received from the State of Arizona in fiscal year 2014 (an increase of about one million from fiscal year 2013).

¹ United States Bureau of Labor Statistics, Regional and State Employment and Unemployment – September 2013.

² <http://www.workforce.az.gov> (excluding Native American Reservations)

PINAL COUNTY
Management's Discussion and Analysis

- The County has projected that revenues from Local Sales Taxes will increase in fiscal year 2014.
- All of these factors were considered in preparing the County's budget for the fiscal year 2014.
- The adopted fiscal year 2014 budget is \$314,598 (down 6% from fiscal year 2013). The decrease in the adopted fiscal year 2014 budget includes a loss in value of residential and commercial properties resulting in a structural gap between revenues and expenditures in the General Fund.
- In fiscal year 2014, the Board of Supervisors maintained the primary tax rate at 3.7999 cents. Maintaining the primary tax rate combined with reduced assessed valuation has resulted in \$6,266 less in primary property tax as was levied during fiscal year 2013.

The County continues to monitor the local, state and national economy in order to identify opportunities and threats to budgeted revenues. Signs of improvement in the residential home market and retail sales across the State resulted in more sales tax revenue, both County and State-Shared. The County continues to place great emphasis on control over expenditures.

Requests for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Pinal County Finance Department, P.O. Box 1348, Florence, AZ, 85132.

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Basic Financial Statements



P I N A L ♦ C O U N T Y
wide open opportunity

PINAL COUNTY
Statement of Net Position
June 30, 2013
(Amounts expressed in thousands)

	Governmental Activities	Business-type Activities	Total
Assets			
Cash, cash equivalents and investments	\$ 141,286	\$ 1,057	\$ 142,343
Cash and investments held by trustees	4,976	-	4,976
Receivables (net):			
Property taxes	6,657	-	6,657
Accounts	2,691	13	2,704
Due from other governments	25,616	244	25,860
Inventories	36	-	36
Prepaid items	72	-	72
Deferred charges	353	-	353
Cash, cash equivalents and investments - restricted	337	-	337
Capital assets:			
Nondepreciable	194,476	853	195,329
Depreciable (net)	266,825	1,416	268,241
Total assets	<u>643,325</u>	<u>3,583</u>	<u>646,908</u>
Liabilities			
Accounts payable	6,049	285	6,334
Accrued payroll and employee benefits	2,503	7	2,510
Retainage payable	-	64	64
Contracts payable	187	-	187
Claims payable	2,212	-	2,212
Due to other governments	78	-	78
Deposits held for others	3,925	-	3,925
Unearned revenue	281	-	281
Interest payable	1,096	-	1,096
Noncurrent liabilities:			
Due within one year	18,741	16	18,757
Due beyond one year	143,237	17	143,254
Total liabilities	<u>178,309</u>	<u>389</u>	<u>178,698</u>
Net Position			
Net investment in capital assets	317,867	2,269	320,136
Restricted for:			
Public safety	13,888	139	14,027
Highways and streets	54,312	-	54,312
Health	5,993	-	5,993
Culture and recreation	2,072	-	2,072
Education	2,346	-	2,346
Debt service	5,288	-	5,288
Capital projects	5,000	-	5,000
Other purposes	1,835	-	1,835
Unrestricted	56,415	786	57,201
Total net position	<u>\$ 465,016</u>	<u>\$ 3,194</u>	<u>\$ 468,210</u>

PINAL COUNTY
Statement of Activities
Year Ended June 30, 2013

(Amounts expressed in thousands)

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities							
General government	\$ 43,152	\$ 4,510	\$ 312	\$ 40	\$ (38,290)	\$ -	\$ (38,290)
Public safety	116,653	25,615	14,685	650	(75,703)	-	(75,703)
Highways and streets	29,183	3,203	6,144	19,852	16	-	16
Sanitation	324	6	429	-	111	-	111
Health	31,132	2,200	3,619	-	(25,313)	-	(25,313)
Welfare	8,161	537	5,893	489	(1,242)	-	(1,242)
Culture and recreation	1,942	216	60	-	(1,666)	-	(1,666)
Education	6,431	8	2,356	-	(4,067)	-	(4,067)
Interest on long-term debt	6,673	-	-	-	(6,673)	-	(6,673)
Total governmental activities	<u>243,651</u>	<u>36,295</u>	<u>33,498</u>	<u>21,031</u>	<u>(152,827)</u>	<u>-</u>	<u>(152,827)</u>
Business-type activities							
Long Term Care	68	-	-	-	-	(68)	(68)
Sheriff Inmate Services	836	-	-	-	-	(836)	(836)
Airport Economic Development	515	602	625	-	-	712	712
Total business-type activities	<u>1,419</u>	<u>602</u>	<u>625</u>	<u>-</u>	<u>-</u>	<u>(192)</u>	<u>(192)</u>
Total primary government	<u>\$ 245,070</u>	<u>\$ 36,897</u>	<u>\$ 34,123</u>	<u>\$ 21,031</u>	<u>(152,827)</u>	<u>(192)</u>	<u>(153,019)</u>

General revenues:

Taxes:			
Property taxes, levied for general purposes	79,464	-	79,464
Property taxes, levied for educational purposes	3,064	-	3,064
Property taxes, levied for flood control	2,988	-	2,988
Property taxes, levied for library district	2,068	-	2,068
Transaction privilege taxes, levied for health district	2,549	-	2,549
General county sales tax	12,800	-	12,800
Road improvement tax	6,530	-	6,530
Share of state sales taxes	27,586	-	27,586
Unrestricted share of vehicle license tax	8,273	-	8,273
Payments in lieu of taxes	4,129	-	4,129
Franchise taxes	613	-	613
Investment earnings	360	7	367
Miscellaneous	1,441	678	2,119
Gain on disposal of capital assets	106	-	106
Transfers	2,020	(2,020)	-
Total general revenues and transfers	<u>153,991</u>	<u>(1,335)</u>	<u>152,656</u>
Changes in net position	1,164	(1,527)	(363)
Net position - beginning	<u>463,852</u>	<u>4,721</u>	<u>468,573</u>
Net position - ending	<u>\$ 465,016</u>	<u>\$ 3,194</u>	<u>\$ 468,210</u>

PINAL COUNTY
Balance Sheet
Governmental Funds
June 30, 2013

(Amounts expressed in thousands)

	Major Funds					Total
	General Fund	Road Tax Districts Fund	Public Works Highway Fund	Development Impact Fee Fund	Other Governmental Funds	
Assets						
Cash, cash equivalents and investments	\$ 39,839	\$ 13,071	\$ 11,456	\$ 16,998	\$ 53,588	\$ 134,952
Cash and investments held by trustees	-	-	-	-	4,976	4,976
Receivables (net of allowances for uncollectibles):						
Property taxes	6,287	-	-	-	370	6,657
Accounts	2,224	2	2	2	461	2,691
Due from other funds	1,400	-	23	-	461	1,884
Due from other governments	18,152	1,262	3,714	-	2,488	25,616
Inventories	-	-	-	-	36	36
Prepaid items	-	-	40	-	32	72
Restricted assets:						
Cash, cash equivalents and investment	7	-	117	-	213	337
Total assets	<u>\$ 67,909</u>	<u>\$ 14,335</u>	<u>\$ 15,352</u>	<u>\$ 17,000</u>	<u>\$ 62,625</u>	<u>\$ 177,221</u>
Liabilities and Fund Balances						
Liabilities:						
Accounts payable	\$ 2,581	\$ 941	\$ 431	\$ -	\$ 1,960	\$ 5,913
Accrued payroll and employee benefits	1,912	7	213	-	371	2,503
Contracts payable	187	-	-	-	-	187
Due to other funds	260	17	3	887	717	1,884
Due to other governments	-	-	-	-	78	78
Deposits held for others	67	-	-	3,717	141	3,925
Unearned revenue	14,861	-	-	-	1,296	16,157
Total liabilities	<u>19,868</u>	<u>965</u>	<u>647</u>	<u>4,604</u>	<u>4,563</u>	<u>30,647</u>
Fund Balances:						
Nonspendable:						
Inventories	-	-	-	-	36	36
Prepaid items	-	-	40	-	32	72
Total nonspendable	<u>-</u>	<u>-</u>	<u>40</u>	<u>-</u>	<u>68</u>	<u>108</u>
Restricted	715	13,370	14,665	12,396	50,883	92,029
Committed	-	-	-	-	2,632	2,632
Assigned	-	-	-	-	4,479	4,479
Unassigned	47,326	-	-	-	-	47,326
Total fund balances	<u>48,041</u>	<u>13,370</u>	<u>14,705</u>	<u>12,396</u>	<u>58,062</u>	<u>146,574</u>
Total liabilities and fund balances	<u>\$ 67,909</u>	<u>\$ 14,335</u>	<u>\$ 15,352</u>	<u>\$ 17,000</u>	<u>\$ 62,625</u>	<u>\$ 177,221</u>

PINAL COUNTY
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2013

(Amounts expressed in thousands)

Total fund balances - governmental funds (page 23) \$ 146,574

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$638,233 and the accumulated depreciation is \$176,932. 461,301

Some receivables are not available to pay for current period expenditures and, therefore, are deferred in the governmental funds. 15,876

Internal Service Funds are used by management to charge the costs of central services. The assets and liabilities of the Internal Service Fund are included in governmental activities in the Statement of Net Position. 3,986

Some interest payable on long-term debt is not reported in the governmental funds because it is not due and payable. (1,096)

Long-term liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds.

Loans payable	\$ (57,555)	
Premium on loans	(806)	
Certificates of participation	(56,805)	
Premium on certificates of participation	(813)	
Bonds payable	(28,220)	
Net premium on bonds	(944)	
Deferred amount on refunding	730	
Unamortized deferred issuance costs	353	
Obligations under capital leases	(2,073)	
Compensated absences	(14,930)	
Estimated liabilities for claims and judgments	(562)	(161,625)

Net position of governmental activities (page 21) \$ 465,016

PINAL COUNTY
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2013
(Amounts expressed in thousands)

	Major Funds					Total
	General Fund	Road Tax Districts Fund	Public Works Highway Fund	Development Impact Fee Fund	Other Governmental Funds	
Revenues						
Taxes	\$ 93,867	\$ 6,530	\$ -	\$ -	\$ 10,895	\$ 111,292
Licenses and permits	1,752	-	-	-	1,794	3,546
Intergovernmental	40,109	128	22,393	-	28,628	91,258
Charges for services	20,106	-	13	4,175	5,015	29,309
Fines and forfeits	1,838	-	-	-	2,314	4,152
Investment earnings	123	37	27	28	145	360
Contributions	-	13	-	-	792	805
Rentals	66	-	-	-	330	396
Miscellaneous	469	239	91	2	584	1,385
Total revenues	<u>158,330</u>	<u>6,947</u>	<u>22,524</u>	<u>4,205</u>	<u>50,497</u>	<u>242,503</u>
Expenditures						
General government	35,153	-	-	-	763	35,916
Public safety	95,749	-	-	1	22,200	117,950
Highways and streets	12	6,604	15,570	5	4,334	26,525
Sanitation	16	-	-	-	308	324
Health	20,918	-	-	-	10,212	31,130
Welfare	891	-	-	-	6,913	7,804
Culture and recreation	-	-	-	-	1,888	1,888
Education	903	-	-	-	5,528	6,431
Debt service:						
Principal retirement	-	-	496	-	10,250	10,746
Interest	-	-	68	-	6,914	6,982
Miscellaneous	-	-	-	-	3	3
Capital outlay	-	-	-	-	6,449	6,449
Total expenditures	<u>153,642</u>	<u>6,604</u>	<u>16,134</u>	<u>6</u>	<u>75,762</u>	<u>252,148</u>
Excess (deficiency) of revenues over expenditures	<u>4,688</u>	<u>343</u>	<u>6,390</u>	<u>4,199</u>	<u>(25,265)</u>	<u>(9,645)</u>
Other financing sources (uses):						
Transfers in	3,388	750	10	-	21,117	25,265
Transfers out	(4,408)	(2,118)	(3,192)	(1,000)	(12,527)	(23,245)
Proceeds from sale of capital assets	34	-	1	-	99	134
Insurance reimbursement	610	-	-	-	-	610
Total other financing sources (uses)	<u>(376)</u>	<u>(1,368)</u>	<u>(3,181)</u>	<u>(1,000)</u>	<u>8,689</u>	<u>2,764</u>
Net change in fund balances	4,312	(1,025)	3,209	3,199	(16,576)	(6,881)
Fund balances - beginning	43,729	14,395	11,496	9,197	74,628	153,445
Changes in nonspendable resources:						
Increase in inventories	-	-	-	-	8	8
Increase in prepaid items	-	-	-	-	2	2
Fund balances - ending	<u>\$ 48,041</u>	<u>\$ 13,370</u>	<u>\$ 14,705</u>	<u>\$ 12,396</u>	<u>\$ 58,062</u>	<u>\$ 146,574</u>

PINAL COUNTY
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended June 30, 2013
(Amounts expressed in thousands)

Net change in fund balances - total governmental funds (page 25) \$ (6,881)

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Expenditures for general capital assets, infrastructure, and other related capital assets	\$ 11,736	
Less: current year depreciation	<u>(15,408)</u>	(3,672)

In the Statement of Activities, only the gain/loss on the sale of capital assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the book value of the capital assets sold.

Gain on sale of capital assets	106	
Insurance reimbursement for capital assets	(610)	
Proceeds from the sale of capital assets	<u>(134)</u>	(638)

Some revenues in the Statement of Activities do not represent the collection of current financial resources and, therefore, are not reported as revenues in the governmental funds.

Donations of capital assets	1,948	
Change in deferred revenue for operating grants & contributions	73	
Change in deferred revenue for charges for services	(51)	
Change in deferred revenue for miscellaneous revenue	55	
Change in deferred revenue for property taxes	<u>(1,829)</u>	196

Some expenses in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Change in compensated absences	53	
Change in estimated liabilities for claims and judgments	(38)	
Amortization of COPS premium	85	
Amortization of loan premium	133	
Amortization of bond premium	224	
Amortization of bond discount	(6)	
Amortization of amount on refunding	(158)	
Amortization of issuance costs	(29)	
Accrued interest	<u>60</u>	324

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

Bonds payable	1,855	
Certificates of participation	2,095	
Loans payable	4,455	
Obligations under capital leases	<u>2,341</u>	10,746

Internal service funds are used by the County to charge the costs of central services. The net income of the internal service funds is reported with governmental activities in the Statement of Activities.

1,089

Change in net position of governmental activities (page 22)

\$ 1,164

PINAL COUNTY
Statement of Net Position
Proprietary Funds
June 30, 2013

(Amounts expressed in thousands)

	<u>Business-type Activities - Enterprise Funds</u>			<u>Governmental Activities- Internal Service Fund</u>
	<u>Long Term Care Fund</u>	<u>Other Enterprise Funds</u>	<u>Total</u>	
Assets				
Current assets:				
Cash, cash equivalents and investments	\$ -	\$ 1,057	\$ 1,057	\$ 6,334
Receivables (net):				
Accounts receivable (net)	-	13	13	-
Due from other governments	-	244	244	-
Total current assets	<u>-</u>	<u>1,314</u>	<u>1,314</u>	<u>6,334</u>
Noncurrent assets:				
Capital assets:				
Construction in progress	-	853	853	-
Buildings and improvements	-	163	163	-
Machinery and equipment	-	1,207	1,207	-
Infrastructure	-	656	656	-
Less accumulated depreciation	-	(610)	(610)	-
Net capital assets	<u>-</u>	<u>2,269</u>	<u>2,269</u>	<u>-</u>
Total noncurrent assets	<u>-</u>	<u>2,269</u>	<u>2,269</u>	<u>-</u>
Total assets	<u>-</u>	<u>3,583</u>	<u>3,583</u>	<u>6,334</u>
Liabilities				
Current liabilities:				
Accounts payable	-	285	285	136
Accrued payroll and employee benefits	-	7	7	-
Claims payable	-	-	-	2,212
Retainage payable	-	64	64	-
Compensated absences	-	16	16	-
Total current liabilities	<u>-</u>	<u>372</u>	<u>372</u>	<u>2,348</u>
Noncurrent liabilities:				
Compensated absences	-	17	17	-
Total noncurrent liabilities	<u>-</u>	<u>17</u>	<u>17</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>389</u>	<u>389</u>	<u>2,348</u>
Net Position				
Net investment in capital assets	-	2,269	2,269	-
Restricted for:				
Public safety	-	139	139	-
Unrestricted	-	786	786	3,986
Total net position	<u>\$ -</u>	<u>\$ 3,194</u>	<u>\$ 3,194</u>	<u>\$ 3,986</u>

PINAL COUNTY
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
Year Ended June 30, 2013
(Amounts expressed in thousands)

	<u>Business-type Activities - Enterprise Funds</u>			<u>Governmental Activities- Internal Service Fund</u>
	<u>Long Term Care Fund</u>	<u>Other Enterprise Funds</u>	<u>Total</u>	
Operating revenues				
Charges for services	\$ -	\$ -	\$ -	\$ 17,992
Rentals	-	602	602	-
Miscellaneous	12	666	678	-
Total operating revenues	<u>12</u>	<u>1,268</u>	<u>1,280</u>	<u>17,992</u>
Operating expenses				
Claims	-	-	-	14,660
Personal services	-	386	386	-
Supplies	-	407	407	-
Depreciation	-	177	177	-
Insurance	-	-	-	1,818
Repairs and maintenance	-	37	37	-
Communication	-	7	7	-
Professional services	11	310	321	443
Public utility service	-	10	10	-
Miscellaneous	1	17	18	-
Total operating expenses	<u>12</u>	<u>1,351</u>	<u>1,363</u>	<u>16,921</u>
Operating income (loss)	<u>-</u>	<u>(83)</u>	<u>(83)</u>	<u>1,071</u>
Nonoperating revenues (expenses)				
Intergovernmental	-	625	625	-
Investment earnings	4	3	7	18
Loss on disposal of capital assets	(56)	-	(56)	-
Total nonoperating revenues (expenses)	<u>(52)</u>	<u>628</u>	<u>576</u>	<u>18</u>
Net position (deficit) before transfers	(52)	545	493	1,089
Transfers out	(1,901)	(119)	(2,020)	-
Changes in net position	(1,953)	426	(1,527)	1,089
Net position - beginning	1,953	2,768	4,721	2,897
Net position - ending	<u>\$ -</u>	<u>\$ 3,194</u>	<u>\$ 3,194</u>	<u>\$ 3,986</u>

PINAL COUNTY
Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2013
(Amounts expressed in thousands)

	<u>Business-type Activities - Enterprise Funds</u>			Governmental Activities- Internal Service Fund
	Long Term Care Fund	Other Enterprise Funds	Total	
Cash flows from operating activities				
Receipts from customers	\$ 77	\$ -	\$ 77	\$ -
Receipts from employee contributions	-	-	-	17,992
Other receipts from operations	12	1,255	1,267	-
Payments to suppliers and providers of goods and services	(28)	(808)	(836)	(2,264)
Payments for employee wages and benefits	-	(381)	(381)	-
Payments for claims	-	-	-	(14,801)
Net cash provided by operating activities	<u>61</u>	<u>66</u>	<u>127</u>	<u>927</u>
Cash flows from noncapital financing activities				
Receipts from federal and local agencies	-	625	625	-
Cash transfers to other funds	(1,901)	(119)	(2,020)	-
Net cash provided by (used for) noncapital financing activities	<u>(1,901)</u>	<u>506</u>	<u>(1,395)</u>	<u>-</u>
Cash flows from capital and related financing activities				
Purchases of capital assets	-	(894)	(894)	-
Net cash used for capital and related financing activities	<u>-</u>	<u>(894)</u>	<u>(894)</u>	<u>-</u>
Cash flows from investing activities				
Interest received on investments	4	3	7	18
Net cash provided by investing activities	<u>4</u>	<u>3</u>	<u>7</u>	<u>18</u>
Net increase (decrease) in cash and cash equivalents	(1,836)	(319)	(2,155)	945
Cash and cash equivalents - beginning	1,836	1,376	3,212	5,389
Cash and cash equivalents - ending	<u>\$ -</u>	<u>\$ 1,057</u>	<u>\$ 1,057</u>	<u>\$ 6,334</u>

(Continued)

PINAL COUNTY
Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2013
(Concluded)
(Amounts expressed in thousands)

	<u>Business-type Activities - Enterprise Funds</u>			<u>Governmental Activities- Internal Service Fund</u>
	<u>Long Term Care Fund</u>	<u>Other Enterprise Funds</u>	<u>Total</u>	
Reconciliation of operating income (loss) to net cash provided by operating activities:				
Operating income (loss)	\$ -	\$ (83)	\$ (83)	\$ 1,071
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation expense	-	177	177	-
Changes in assets and liabilities:				
Decrease (increase) in assets:				
Accounts receivable	77	(12)	65	-
Due from other governments	-	(244)	(244)	-
Increase (decrease) in liabilities:				
Accounts payable	(16)	160	144	(3)
Accrued payroll and employee benefits	-	1	1	-
Claims payable	-	-	-	(141)
Due to other funds	-	(1)	(1)	-
Retainage payable	-	64	64	-
Compensated absences	-	4	4	-
Total adjustments and changes	<u>61</u>	<u>149</u>	<u>210</u>	<u>(144)</u>
Net cash provided by operating activities	<u>\$ 61</u>	<u>\$ 66</u>	<u>\$ 127</u>	<u>\$ 927</u>

Non-cash Capital and Related Financing Activities:

Long Term Care disposed capital assets with a net book value of \$56.

Sheriff Inmate Services transferred capital assets with an original cost of \$7 and a net book value of \$0 to the County's general government.

PINAL COUNTY
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2013

(Amounts expressed in thousands)

	Investment Trust Funds	Agency Funds
Assets		
Cash, cash equivalents and investments	\$ 112,318	\$ 6,172
Interest receivable	31	-
Total assets	112,349	\$ 6,172
Liabilities		
Deposits held for others	-	\$ 6,172
Total liabilities	-	\$ 6,172
Net Position		
Held in trust for investment trust participants	\$ 112,349	

PINAL COUNTY
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
Year Ended June 30, 2013
(Amounts expressed in thousands)

	Investment Trust Funds
Additions	
Contributions by participants	\$ 576,701
Investment earnings	1,009
Total additions	577,710
Deductions	
Distributions to participants	633,396
Total deductions	633,396
Change in net position	(55,686)
Net position - beginning	168,035
Net position - ending	\$ 112,349

PINAL COUNTY
Notes to the Financial Statements
June 30, 2013
(Amounts expressed in thousands)

Note 1 - Summary of Significant Accounting Policies

The accounting policies of Pinal County (the County) conform to generally accepted accounting principles applicable to governmental units adopted by the Governmental Accounting Standards Board (GASB) and the regulatory requirements of the State of Arizona. A summary of the County's significant accounting policies follows:

For the year ended June 30, 2013, the County implemented the provisions of GASB Statement No. 61, *The Financial Reporting Entity: Omnibus, an amendment of GASB Statements No. 14 and No. 34*; GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*; and GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. GASB Statement No. 61 modifies existing requirements for determining which component units should be included in the financial reporting entity and the related display and disclosure requirements. GASB Statement No. 62 incorporates certain accounting and financial reporting guidance in FASB Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins into GASB's authoritative literature. GASB Statement No. 63 provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures

A. Reporting Entity

The County is a general purpose local government that is governed by a separately elected board of five county supervisors. The accompanying financial statements present the activities of the County (the primary government) and its component units.

Component units are legally separate entities for which the County is considered to be financially accountable. Blended component units, although legally separate entities, are so intertwined with the County that they are in substance part of the County's operations. Component units should be blended in the County's financial statements when the component unit's governing body is substantively the same as the County's governing body and there is either a financial benefit or burden relationship between the County and the component unit or county management has operational responsibility for it; the component unit provides services entirely, or almost entirely, to the County; or the component unit's total debt outstanding is expected to be repaid entirely or almost entirely with the County's resources. Therefore, data from these units is combined with data of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements to emphasize they are legally separate from the County. Each blended component unit discussed below has a June 30 year-end. The County has no discretely presented component units.

PINAL COUNTY
Notes to the Financial Statements
June 30, 2013
(Amounts expressed in thousands)

The following table describes the County's component units:

<u>Component Unit</u>	<u>Description; Criteria for Inclusion</u>	<u>Reporting Method</u>	<u>For Separate Financial Statements</u>
Pinal County Flood Control District	A tax-levying district that provides flood control systems; the County's Board of Supervisors serves as board of directors and County management has operational responsibility	Blended	Not available
Pinal County Library District	Provides and maintains library services for County's residents; the County's Board of Supervisors serves as board of directors and County management has operational responsibility	Blended	Not available
Various Street Lighting Districts	Operates and maintains street lighting in areas outside local city jurisdictions; the County's Board of Supervisors serves as board of directors and County management has operational responsibility	Blended	Not available
Desert Vista Sanitary District	Operates and maintains sanitation services in areas outside local city jurisdictions; the County's Board of Supervisors serves as board of directors and County management has operational responsibility	Blended	Not available
Queen Creek Domestic Water Improvement District	Formed to construct a domestic water system; the County's Board of Supervisors serves as board of directors and County management has operational responsibility	Blended	Not available
Pinal County Municipal Property Corporation (MPC)	Formed to finance the construction of the Apache Junction County Complex, Superior Court Judicial Facility, and the Sheriff's Administration Facility; the County's Board of Supervisors serves as board of directors	Blended	Not available
Central Arizona Public Facility Corporation	Formed to finance the construction of the Pinal County adult detention center	Blended	Not available

PINAL COUNTY
Notes to the Financial Statements
June 30, 2013
(Amounts expressed in thousands)

<u>Component Unit</u>	<u>Description; Criteria for Inclusion</u>	<u>Reporting Method</u>	<u>For Separate Financial Statements</u>
Pinal County Employee Benefit Trust	Created to provide and administer a partially self-insured employee benefits trust	Blended	Pinal County Employee Benefit Trust PO Box 827 Florence, AZ 85132
Public Health Services District	Provides and maintains health services for County's residents; the County's Board of Supervisors serves as board of directors and County management has operational responsibility	Blended	Not available

The Pinal County Municipal Property Corporation and the Central Arizona Public Facility Corporation were formed to finance various construction projects including the new Superior Court facility and Sheriff's Administration facility. Because the County's Board of Supervisors serves as the Board of Directors of each of these corporations, they are reported as blended component units of the County. These corporations issue certificates of participation that evidence undivided proportionate interests in rent payments to be made under a lease agreement, with an option to purchase, between Pinal County and the corporations. Since this debt is in substance the County's obligations, these liabilities and resulting assets are reported in the government-wide statement of net position.

The Pinal County Employee Benefit Trust was created to provide benefits for County employees, elected officials, and eligible dependents. The Trustees are appointed by the Pinal County Board of Supervisors and may be removed by the Board of Supervisors at any time for cause or no cause. Based on these factors, the Pinal County Employee Benefit Trust is reported as a blended component unit in the accompanying financial statements.

The Public Health Services District was formed under A.R.S. §48-5802(C) as a taxing authority to provide health services to the growing population of Pinal County. The Public Health Services District is reported as a special revenue fund in the financial statements.

Related Organization

The Industrial Development Authority of Pinal County (Authority) is a legally separate entity that was created to promote economic development and the development of affordable housing. The Authority fulfills its function through the issuance of tax-exempt or taxable revenue bonds. The County Board of Supervisors appoints the Authority's Board of Directors. The Authority's operations are completely separate from the County and the County is not financially accountable for the Authority. Therefore, the financial activities of the Authority have not been included in the accompanying financial statements.

PINAL COUNTY
Notes to the Financial Statements
June 30, 2013
(Amounts expressed in thousands)

B. Basis of Presentation

The basic financial statements include both government-wide statements and fund financial statements. The government-wide statements focus on the County as a whole, while the fund financial statements focus on major funds. Each presentation provides valuable information that can be analyzed and compared between years and between governments to enhance the usefulness of the information.

Government-wide statements—Provide information about the primary government (the County) and its component units. The statements include a statement of net position and a statement of activities. These statements report the overall government's financial activities, except for fiduciary activities. They also distinguish between the governmental and business-type activities of the County. Governmental activities generally are financed through taxes and intergovernmental revenues. Business-type activities are financed in whole or in part by fees charged to external parties.

A statement of activities presents a comparison between direct expenses and program revenues for each function of the County's governmental activities and segment of its business-type activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. The County does not allocate indirect expenses to programs or functions on a government-wide basis. Program revenues include:

- charges to customers or applicants for goods, services, or privileges provided;
- operating grants and contributions; and
- capital grants and contributions, including special assessments.

Revenues that are not classified as program revenues, including internally dedicated resources and all taxes levied or imposed by the County, are reported as general revenues.

Generally, the effect of interfund activity has been eliminated from the government-wide financial statements to minimize the double counting of internal activities. However, charges for interfund services provided and used are not eliminated if the prices approximate their external exchange values.

Fund financial statements—Provide information about the County's funds, including fiduciary funds and blended component units. Separate statements are presented for the governmental, proprietary, and fiduciary fund categories. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Fiduciary funds are aggregated and reported by fund type.

Proprietary fund revenues and expenses are classified as either operating or nonoperating. Operating revenues and expenses generally result from transactions associated with the fund's principal activity. Accordingly, revenues, such as user charges, in which each party receives and gives up essentially equal values, are operating revenues. Other revenues, such as intergovernmental revenues, result from transactions in which the parties do not exchange equal values and are considered nonoperating revenues along with investment earnings and revenues generated by ancillary activities. Operating expenses include the cost of services, administrative expenses, and depreciation on capital assets.

PINAL COUNTY
Notes to the Financial Statements
June 30, 2013
(Amounts expressed in thousands)

The County reports the following major governmental funds:

The General Fund—is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Road Tax Districts Fund—accounts for monies from the Pinal County Transportation Excise Tax which is used to provide continued funding for the construction, reconstruction, maintenance, repair, and roadside development of county roads, streets and bridges.

The Public Works Highway Fund—accounts for monies from Highway User Revenue Fund and Vehicle License Tax that are restricted for road maintenance and operations, pavement preservation, and fleet services.

The Development Impact Fee Fund—accounts for monies from development impact fees assessed on all new developments within the unincorporated areas of Pinal County. These funds are used for parks, public safety, and streets within the Impact Fee Area collected, as determined by a Pinal County development fee ordinance.

The County reports the following major enterprise fund:

The Long Term Care Fund—accounts for the health services to elderly and physically disabled clients enrolled in the State's AHCCCS (Arizona Health Care Cost Containment System) Long-Term Care program.

The County reports the following fund types:

The internal service fund—accounts for the County's participation in the Pinal County Employee Benefit Trust for providing health insurance and other benefits to eligible County employees, elected officials and their respective eligible dependents.

The investment trust funds—account for pooled and nonpooled assets the County Treasurer holds and invests on behalf of County departments and other governmental entities.

The agency funds—account for assets the County holds as an agent for the State, various local governments and individuals, and for property taxes collected and distributed to the State, cities, local school districts, community college districts, and special districts.

C. Basis of Accounting

The government-wide, proprietary fund, and fiduciary fund financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. The agency funds are custodial in nature and do not have a measurement focus but utilize the accrual basis of accounting for reporting its assets and liabilities. Revenues are recorded when earned, and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Property taxes are recognized as revenue in the year for which they are levied. Grants and donations are recognized as revenue as soon as all eligibility requirements the provider imposed have been met.

Under the terms of grant agreements, the County funds certain programs by a combination of grants and general revenues. Therefore, when program expenses are incurred, there is both restricted and unrestricted net position resources available to finance the program. The County applies grant resources to such programs before using general revenues.

PINAL COUNTY
Notes to the Financial Statements
June 30, 2013
(Amounts expressed in thousands)

Governmental funds in the fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when they become both measurable and available. The County considers all revenues reported in the governmental funds to be available if the revenues are collected within 60 days after fiscal year-end. The County's major revenue sources that are susceptible to accrual are property taxes, sales taxes, licenses and permits, and intergovernmental revenues. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they are due and payable. General capital asset acquisitions are reported as expenditures in governmental funds. Issuances of general long-term debt and acquisitions under capital lease agreements are reported as other financing sources.

D. Cash and Investments

For purposes of its statements of cash flows, the County considers only those highly liquid investments with a maturity of 3 months or less when purchased to be cash equivalents.

Nonparticipating interest-earning investment contracts are stated at cost. Money market investments and participating interest-earning investment contracts with a remaining maturity of 1 year or less at the time of purchase are stated at amortized cost. All other investments are stated at fair value.

E. Inventories

Inventories in the government-wide financial statements are recorded as assets when purchased and expensed when consumed. These inventories are stated at cost using the lower of cost (first-in, first-out method) or market.

The County accounts for its inventories in the governmental funds using the purchase method. Inventories of the governmental funds consist of expendable supplies held for consumption and are recorded as expenditures at the time of purchase. Amounts on hand at year-end are shown on the balance sheet as an asset for informational purposes only and as nonspendable fund balance to indicate that they do not constitute "available spendable resources." These inventories are stated at cost using the first-in, first-out method.

F. Property Tax Calendar

The County levies real and personal property taxes on or before the third Monday in August that become due and payable in two equal installments. The first installment is due on the first day of October and becomes delinquent after the first business day of November. The second installment is due on the first day of March of the next year and becomes delinquent after the first business day of May.

A lien assessed against real and personal property attaches on the first day of January preceding assessment and levy.

G. Capital Assets

Capital assets are reported at actual cost, or estimated historical cost if historical records are not available. Donated assets are reported at estimated fair value at the time received.

PINAL COUNTY
Notes to the Financial Statements
June 30, 2013

(Amounts expressed in thousands)

Capitalization thresholds (the dollar values above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the government-wide statements and proprietary funds are as follows:

	Capitalization Threshold	Depreciation Method	Estimated Useful Life
Land	All	N/A	N/A
Buildings & improvements	\$25	Straight line	10-40 years
Machinery & equipment	\$5	Straight line	3-21 years
Intangibles - software	\$50	Straight line	10 or more years
Infrastructure	\$100	Straight line	20-50 years

The County currently has one network of infrastructure assets comprised of the County's roads and bridges.

H. Investment Earnings

Investment earnings are composed of interest, dividends, and net changes in the fair value of applicable investments.

I. Compensated Absences

Compensated absences payable consists of vacation leave and a calculated amount of sick leave earned by employees based on services already rendered.

Employees may accumulate up to 360 hours of vacation. Any vacation hours in excess of the maximum amount that are unused at September 30 roll over and are added to an employee's sick leave balance. Upon terminating employment, all unused and unforfeited vacation benefits are paid to employees. Accordingly, vacation benefits are accrued as a liability in the government-wide and proprietary funds' financial statements. A liability for these amounts is reported in the governmental funds' financial statements only if they have matured, for example, as a result of employee resignations and retirements by fiscal year-end.

Employees may accumulate an unlimited number of sick leave hours. Generally, sick leave benefits provide for ordinary sick pay and are cumulative but are forfeited upon terminating employment. Because sick leave benefits do not vest with employees, a liability for sick leave benefits is not accrued in the financial statements. However, a certain percentage of sick leave can be converted to vacation leave upon retirement after an employee has worked 5 or more years for the County, and is accrued as a long-term liability.

J. Fund Balance Classifications

Fund balances of the governmental funds are reported separately within classifications based on a hierarchy of the constraints placed on the use of those resources. The classifications are based on the relative strength of the constraints that control how the specific amounts can be spent. The classifications are nonspendable, restricted, and unrestricted, which includes committed, assigned, and unassigned fund balance classifications.

PINAL COUNTY
Notes to the Financial Statements
June 30, 2013

(Amounts expressed in thousands)

The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form, such as inventories, or are legally or contractually required to be maintained intact. Restricted fund balances are those that have externally imposed restrictions on their usage by creditors, such as through debt covenants, grantors, contributors, or laws and regulations.

The unrestricted fund balance category is composed of committed, assigned, and unassigned resources. Committed fund balances are self-imposed limitations approved in a public meeting by the County's Board of Supervisors, which is the highest level of decision-making authority within the County. The constraints placed on committed fund balances can be removed or changed by only the Board in a public meeting. The formal action to commit fund balance for a particular purpose is by a resolution approved by the Board in a public meeting.

Assigned fund balances are resources constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. The Board of Supervisors has authorized the County Manager, Elected Officials, and the Chief Financial Officer to make assignments of resources for a specific purpose by a resolution approved by the Board in a public meeting.

The unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not reported in the other classifications. Also, deficits in fund balances of the other governmental funds are reported as unassigned.

When an expenditure is incurred that can be paid from either restricted or unrestricted fund balances, it is the County's policy to use restricted fund balance first. For the disbursement of unrestricted fund balances, it is the County's policy to use committed amounts first, followed by assigned amounts, and lastly unassigned amounts.

PINAL COUNTY
Notes to the Financial Statements
June 30, 2013
(Amounts expressed in thousands)

Note 2 - Fund Balance Classifications of the Governmental Funds

The fund balance categories and classifications for governmental funds as of June 30, 2013, were as follows:

	<u>Major Funds</u>					<u>Total</u>
	<u>General Fund</u>	<u>Road Tax Districts Fund</u>	<u>Public Works Highway Fund</u>	<u>Development Impact Fee Fund</u>	<u>Other Governmental Funds</u>	
Fund balances:						
Nonspendable	\$ -	\$ -	\$ 40	\$ -	\$ 68	\$ 108
Restricted for:						
Public safety	-	-	-	3,558	9,970	13,528
Highways and streets	-	13,370	14,665	7,835	18,297	54,167
Sanitation	-	-	-	-	580	580
Health	-	-	-	-	4,688	4,688
Welfare	-	-	-	-	513	513
Culture and recreation	-	-	-	1,003	984	1,987
Education	-	-	-	-	2,241	2,241
Debt service	-	-	-	-	5,288	5,288
Capital projects:						
Bridge construction	-	-	-	-	4,607	4,607
Highways and streets capital projects	-	-	-	-	1,539	1,539
Other capital projects	-	-	-	-	1,553	1,553
Other purposes	715	-	-	-	623	1,338
Total restricted	715	13,370	14,665	12,396	50,883	92,029
Committed to:						
Landfill oversight	-	-	-	-	60	60
Health	-	-	-	-	73	73
Drug diversion program	-	-	-	-	181	181
Prosecution cost recovery	-	-	-	-	1	1
Judicial enhancements	-	-	-	-	2,317	2,317
Total committed	-	-	-	-	2,632	2,632
Assigned to:						
Public safety	-	-	-	-	2	2
Welfare	-	-	-	-	57	57
Other capital projects	-	-	-	-	2,629	2,629
Debt service	-	-	-	-	1,791	1,791
Total assigned	-	-	-	-	4,479	4,479
Unassigned	47,326	-	-	-	-	47,326
Total fund balances	\$ 48,041	\$ 13,370	\$ 14,705	\$ 12,396	\$ 58,062	\$ 146,574

PINAL COUNTY
Notes to the Financial Statements
June 30, 2013
(Amounts expressed in thousands)

Note 3 - Stabilization Arrangements

The Board of Supervisors established by resolution that the County General Fund maintain an unassigned fund balance of 15% of the adopted General Fund expenditures to serve as a contingency and financial protection for unforeseeable future economic circumstances. Any changes to the reserve must be approved by the Board of Supervisors in a public meeting. For the year ended June 30, 2013, the balance was \$29,633.

Note 4 – Deposits and Investments

Arizona Revised Statutes (A.R.S.) authorize the County to invest public monies in the State Treasurer's investment pool; obligations issued or guaranteed by the United States or any of the senior debt of its agencies, sponsored agencies, corporations, sponsored corporations, or instrumentalities; specified state and local government bonds and notes; interest-earning investments such as savings accounts, certificates of deposit, and repurchase agreements in eligible depositories; specified commercial paper, bonds, debentures, and notes issued by corporations organized and doing business in the United States; and certain open-end and closed-end mutual funds, including exchange traded funds. In addition, the County Treasurer may invest trust funds in certain fixed income securities of corporations doing business in the United States or District of Columbia.

Credit risk

Statutes have the following requirements for credit risk:

1. Commercial paper must be of prime quality and be rated within the top two ratings by a nationally recognized rating agency.
2. Corporate bonds, debentures, and notes must be rated within the top three ratings by a nationally recognized rating agency.
3. Fixed income securities must carry one of the two highest ratings by Moody's investors service and Standard and Poor's rating service. If only one of the above-mentioned services rates the security, it must carry the highest rating of that service.

Custodial credit risk

Statutes require collateral for deposits and certificates of deposit at 101 percent of all deposits not covered by federal depository insurance.

Concentration of credit risk

Statutes do not include any requirements for concentration of credit risk.

Interest rate risk

Statutes require that public monies invested in securities and deposits have a maximum maturity of 5 years. The maximum maturity for investments in repurchase agreements is 180 days.

Foreign currency risk

Statutes do not allow foreign investments.

Deposits—At June 30, 2013, the carrying amount of the County's deposits was \$81,339 and the bank balance was \$106,832. It is the County's investment policy to collateralize all deposits by at least 101 percent of the deposits not covered by depository insurance.

PINAL COUNTY
Notes to the Financial Statements
June 30, 2013
(Amounts expressed in thousands)

Investments—The County's investments at June 30, 2013, were as follows:

Investment Type	Amount
U.S. agency securities	\$ 89,694
State Treasurer's Investment Pools	5,369
Repurchase agreements	87,000
School Bond Investment	648
CDs	2,058
	\$ 184,769

The State Board of Investment provides oversight for the State Treasurer's pools. The fair value of a participant's position in the pool approximates the value of that participant's pool shares and the participant's shares are not identified with specific investments.

Credit Risk—The County's credit risk policy states that the County will minimize credit risk, the risk of loss due to the failure of the security issuer or backer, by limiting investments to those of the highest credit quality, pre-qualifying the financial institutions, brokers/dealers, intermediaries, and advisors with which the County Treasurer will do business and by diversifying the investment portfolio so that potential losses on individual securities will be minimized. At June 30, 2013, credit risk for the County's investments was as follows:

Investment Type	Rating	Rating agency	Amount
U. S. agency securities	Aaa	Moody's	\$ 89,694
State Treasurer's Investment Pool 7	Unrated	Not Applicable	5,369
Repurchase agreements	Unrated	Not Applicable	87,000
School Bond Investment	Unrated	Not Applicable	648
CDs	Unrated	Not Applicable	2,058
			\$ 184,769

Custodial credit risk—For an investment, custodial credit risk is the risk that, in the event of the counterparty's failure, the County will not be able to recover the value of its investments or collateral securities that are in an outside party's possession. The County's policy states that the County Treasurer will conform with Arizona Revised Statutes, which currently does not address custodial credit risk for investments.

Concentration of credit risk—The County's investment policy states that the County Treasurer will diversify its investments by security type and institution when practical and feasible to do so. The County Treasurer will limit investments to avoid over-concentration in securities from a specific issuer or business sector (excluding U.S. Treasury Securities), and will invest in securities with varying maturities. The County had investments at June 30, 2013, of 5 percent or more in the Federal National Mortgage Association, the Federal Home Loan Bank, and the Federal Home Loan Mortgage Corporation. These investments were 8.0 percent, 16.2 percent, and 8.1 percent, respectively, of the County's total investments.

PINAL COUNTY
Notes to the Financial Statements
June 30, 2013
(Amounts expressed in thousands)

Interest rate risk—The County’s investment policy states that the County Treasurer will minimize the risk that the market value of securities in the portfolio will fall due to changes in general interest rates by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and by investing operating funds primarily in shorter term securities. At June 30, 2013, the County had the following investments in debt securities.

Investment Type	Investment Maturities		
	Amount	Less than	
	1 Year	1-5 Years	
U.S. agency securities	\$ 89,694	\$ 20,025	\$ 69,669
State Treasurer's Investment Pool 7	5,369	5,369	-
Repurchase agreements	87,000	87,000	-
School bond investment	648	-	648
CDs	2,058	550	1,508
	\$184,769	\$ 112,944	\$ 71,825

Foreign currency risk—The County does not have a formal investment policy with respect to foreign currency risk because State statutes do not allow foreign investments.

A reconciliation of cash, deposits, and investments to amounts shown on the Statements of Net Position follows:

Cash, deposits, and investments:	
Cash on hand	\$ 38
Amount of deposits	81,339
Amount of investments	<u>184,769</u>
Total	<u>\$266,146</u>

	Governmental Activities	Business-Type Activities	Investment Trust Funds	Agency Funds	Total
Statement of Net Position:					
Cash, cash equivalents and investments	\$ 141,623	\$1,057	\$112,318	\$6,172	\$261,170
Cash and investments held by trustees	4,976	-	-	-	4,976
Total	<u>\$146,599</u>	<u>\$1,057</u>	<u>\$112,318</u>	<u>\$6,172</u>	<u>\$266,146</u>

PINAL COUNTY
Notes to the Financial Statements
June 30, 2013
(Amounts expressed in thousands)

Note 5 – Capital Assets

Capital asset activity for the year ended June 30, 2013 was as follows:

	Balance July 1, 2012	Increases	Decreases	Balance June 30, 2013
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 182,382	\$ 1,348	\$ -	\$ 183,730
Construction in progress	10,314	7,524	7,092	10,746
Total capital assets not being depreciated	<u>192,696</u>	<u>8,872</u>	<u>7,092</u>	<u>194,476</u>
Capital assets being depreciated:				
Buildings & improvements	164,225	7,067	77	171,215
Machinery & equipment	63,753	3,434	638	66,549
Intangible - software	774	52	-	826
Infrastructure	204,422	1,341	596	205,167
Total capital assets being depreciated	<u>433,174</u>	<u>11,894</u>	<u>1,311</u>	<u>443,757</u>
Less accumulated depreciation for:				
Buildings & improvements	51,421	5,115	77	56,459
Machinery & equipment	53,718	4,060	596	57,182
Intangible - software	75	84	-	159
Infrastructure	56,983	6,149	-	63,132
Total accumulated depreciation	<u>162,197</u>	<u>15,408</u>	<u>673</u>	<u>176,932</u>
Total capital assets being depreciated, net	<u>270,977</u>	<u>(3,514)</u>	<u>638</u>	<u>266,825</u>
Governmental activities capital assets, net	<u>\$ 463,673</u>	<u>\$ 5,358</u>	<u>\$ 7,730</u>	<u>\$ 461,301</u>
Business-type activities:				
Capital assets not being depreciated:				
Construction in progress	\$ 79	\$ 774	\$ -	\$ 853
Total capital assets not being depreciated	<u>79</u>	<u>774</u>	<u>-</u>	<u>853</u>
Capital assets being depreciated:				
Buildings & improvements	163	-	-	163
Machinery & equipment	1,094	120	7	1,207
Intangible - software	942	-	942	-
Infrastructure	656	-	-	656
Total capital assets being depreciated	<u>2,855</u>	<u>120</u>	<u>949</u>	<u>2,026</u>
Less accumulated depreciation for:				
Buildings & improvements	42	5	-	47
Machinery & equipment	380	150	7	523
Intangible - software	886	-	886	-
Infrastructure	18	22	-	40
Total accumulated depreciation	<u>1,326</u>	<u>177</u>	<u>893</u>	<u>610</u>
Total capital assets being depreciated, net	<u>1,529</u>	<u>(57)</u>	<u>56</u>	<u>1,416</u>
Business-type activities capital assets, net	<u>\$ 1,608</u>	<u>\$ 717</u>	<u>\$ 56</u>	<u>\$ 2,269</u>

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Depreciation expense was charged to functions as follows:

Governmental activities:	
General government	\$ 5,181
Public safety	2,164
Highways and streets	7,439
Health	203
Welfare	367
Culture and recreation	54
Total governmental activities depreciation expense	<u>\$ 15,408</u>
Business-type activities:	
Sheriff Inmate Services	124
Airport Economic Development	53
Total business-type activities depreciation expense	<u>\$ 177</u>

Note 6 – Construction Commitments

Pinal County was engaged in multiple construction projects as of June 30, 2013. The following commitments with contractors are as follows:

Project	Spent-to-Date	Remaining Commitment
Reconstruction of Hunt Highway	\$ 327	\$ 547
Construction of the Kelvin Road Bridge	153	388
Pinal County East-West Corridor project	182	613
Gantzel Road project	118	97
Pinal/Hopi Drainage project	64	181
Queen Valley Flood Mitigation project	78	162
Hunt and Magma Flood Mitigation project	100	126
Eloy Industrial Park Analysis project	135	265
Maricopa-CG Highway Box Culvert project	55	178
Cactus Forest Study project	286	113
Guild Canyon Flood project	42	189

The remaining contractual commitments amount of \$781, include street construction and the maintenance of existing streets.

Note 7 – Due from Other Governments

Amounts due from other governments at June 30, 2013, of \$18,152 reported in the governmental funds General Fund balance sheet included \$8,686 for an Intergovernmental Agreement with the City of Apache Junction. The Intergovernmental Agreement was entered into by the County to share costs with the City of Apache Junction in the re-construction, re-design and improvement of Ironwood Drive within the corporate limits of the City of Apache Junction. An amendment to the original Intergovernmental Agreement specified an extension of the date of the first scheduled payment and the amount of future payments. This receivable is not expected to be collected within one year since under the terms of the amended Intergovernmental Agreement, payments are scheduled to

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commence in 2023. Accordingly, the amount has been deferred in the General Fund balance sheet. The remaining outstanding amounts are primarily due from other state and federal agencies for taxes and other outstanding contractual obligations.

Note 8 – Short-term Debt

The County maintains a revolving line of credit with Wells Fargo to meet its short-term cash needs. At June 30, 2013, the County had an outstanding balance of \$0. Advances on the line of credit are payable on demand. The credit line is secured by the County's general taxing authority and other non-restricted revenues.

	<u>July 1, 2012</u> <u>Balance</u>	<u>Draws</u>	<u>Repayments</u>	<u>June 30, 2013</u> <u>Balance</u>
Line of credit	\$0	\$2,221	\$2,221	\$0

Note 9 – Long-term Liabilities

The following schedule details the County's long-term liability and obligation activity for the year ended June 30, 2013:

	<u>Balance</u> <u>July 1,</u> <u>2012</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30,</u> <u>2013</u>	<u>Due</u> <u>within</u> <u>one</u> <u>year</u>
Governmental activities:					
Loans payable	\$ 62,010	\$ -	\$ 4,455	\$ 57,555	\$ 4,635
Premium on loans	939	-	133	806	-
Certificates of participation	58,900	-	2,095	56,805	2,185
Premium on COPS	898	-	85	813	-
Bonds payable	30,075	-	1,855	28,220	2,180
Premium/(original issue discount) on bonds	1,162	-	218	944	-
Less: deferred amount on refunding	(888)	-	(158)	(730)	-
Obligations under capital leases	4,414	-	2,341	2,073	1,507
Compensated absences	14,983	7,043	7,096	14,930	7,953
Estimated liabilities for claims and judgments	524	821	783	562	281
Total governmental activities long-term liabilities	<u>\$ 173,017</u>	<u>\$ 7,864</u>	<u>\$ 18,903</u>	<u>\$ 161,978</u>	<u>\$18,741</u>
Business-type activities:					
Compensated absences	<u>\$ 29</u>	<u>\$ 27</u>	<u>\$ 23</u>	<u>\$ 33</u>	<u>\$ 16</u>
Total business-type activities long-term liabilities	<u>\$ 29</u>	<u>\$ 27</u>	<u>\$ 23</u>	<u>\$ 33</u>	<u>\$ 16</u>

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The Greater Arizona Development Authority Loans

On April 1, 2006, Pinal County entered into a loan agreement for \$63,220 with the Greater Arizona Development Authority (GADA) to provide funds for the construction and improvement of certain highways and streets. Interest is payable on November 15 and May 15 of each year and commenced on November 15, 2006, and is calculated based on the principal amount of the loan outstanding during such period.

On April 1, 2008, Pinal County entered into a loan agreement for \$4,495 with the GADA to provide funds to construct an animal shelter facility expansion and a long term care facility expansion. Interest will be payable on January 1 and July 1 of each year commencing January 1, 2009, and is calculated based on the principal amount of the loan outstanding during such period.

On February 1, 2009, Pinal County entered into a loan agreement for \$12,795 with the GADA to provide funds to construct a Justice Court Facility, construct various County facility expansions and upgrade the Sheriff's security system. Interest will be payable on January 1 and July 1 of each year commencing July 1, 2009, and is calculated based on the principal amount of the loan outstanding during such period.

The County has pledged a portion of future State Shared Revenues to repay the loans obtained from GADA, issued in fiscal year 2006 and 2008, and a portion of State Shared Revenues and Excise Taxes Revenues to repay the GADA loan issued in fiscal year 2009. Total principal and interest payments remaining on the loans is \$74,488 payable through May 2025. State shared revenues have averaged \$22.9 million per year over the last 5 years, whereas, Excise Taxes Revenues have averaged \$12.7 million per year over the last 5 years. For the current year, state shared sales and excise revenues recognized by the County were \$27,600 and \$12,800, respectively. In the current year, principal and interest payments were \$4,455 and \$2,800, respectively.

The Greater Arizona Development Authority loans outstanding at June 30, 2013 were as follows:

<u>Description</u>	<u>Original Amount</u>	<u>Maturity Ranges</u>	<u>Interest Rates</u>	<u>Outstanding Principal</u>
Governmental activity - The Greater Arizona Development Authority Loan 2006-1	\$ 63,220	2014 - 2025	4.5%- 5.0%	\$ 46,125
Governmental activity - The Greater Arizona Development Authority Loan 2008 A	\$ 4,495	2014- 2019	4.0%- 5.0%	2,935
Governmental activity - The Greater Arizona Development Authority Loan 2009 A	\$ 12,795	2014- 2019	3.0%- 4.0%	8,495
				<u>\$ 57,555</u>

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The following schedule details debt service requirements to maturity for the County's loans payable at June 30, 2013:

<u>Year Ending June 30</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2014	\$ 4,635	\$ 2,630
2015	4,835	2,428
2016	5,045	2,213
2017	5,280	1,984
2018	5,525	1,742
2019-2023	22,580	5,280
2024-2025	9,655	656
Total	<u>\$ 57,555</u>	<u>\$ 16,933</u>

Certificates of Participation

On December 1, 2004, the Pinal County Municipal Property Corporation issued certificates of participation totaling \$71,615. The certificates evidence undivided proportionate interests in lease payments to be made under a lease agreement, with an option to purchase, between Pinal County and the Pinal County Municipal Property Corporation. The proceeds of the certificates were used by the County as the primary source of funding for constructing and equipping an adult detention facility expansion including improvement to an existing adult detention facility, a sheriff's training facility and firing range, and a new juvenile detention facility. The certificates, which are callable after December 1, 2014, have interest rates ranging from 4.0 to 5.25 percent, payable semiannually on June 1 and December 1 of each year through 2030.

Certificates outstanding at June 30, 2013 were as follows:

<u>Description</u>	<u>Original Amount</u>	<u>Maturity Ranges</u>	<u>Interest Rates</u>	<u>Outstanding Principal</u>
Pinal County Municipal Property Corporation 2004	\$ 71,615	2014-2030	4.0% to 5.25%	<u>\$ 56,805</u>

The following schedule details debt service requirements to maturity for the County's certificates of participation payable at June 30, 2013:

<u>Year Ending June 30</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2014	\$ 2,185	\$ 2,787
2015	2,295	2,675
2016	2,420	2,555
2017	2,530	2,440
2018	2,635	2,337
2019-2023	15,370	9,489
2024-2028	19,905	4,960
2029-2030	9,465	479
Total	<u>\$ 56,805</u>	<u>\$ 27,722</u>

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Pledged Revenue Bonds Payable, Series 2010

On August 25, 2010, the County issued \$12,000 in Pledged Revenue Obligation Bonds, Series 2010, with an original issue discount of \$106. The net proceeds of \$11,700 (after payment of underwriting fees and other issuance costs) were used to pay for the construction of public health clinics in San Tan Valley, Arizona and the City of Maricopa, Arizona and will be used for renovation of Human Resources and Administrative office space. The bonds, which are callable on or after August 1, 2021, have interest rates ranging from 3.0% to 4.5%, payable semiannually on February 1 and August 1 of each year through 2035.

Pledged Revenue Refunding Bonds Payable, Series 2010

On August 25, 2010, the County issued \$18,380 in Pledged Revenue Refunding Obligation Bonds, Series 2010, with a premium of \$1,588. The net proceeds of \$19,720 (after payment of underwriting fees and other issuance costs) were deposited in an irrevocable trust to provide for the advance refunding of the Series 2001 Certificates of Participation that were callable on or after June 1, 2011. The bonds, which are not subject to redemption prior to maturity, have interest rates ranging from 2.5% to 5.0%, payable semiannually on February 1 and August 1 of each year through 2020.

The County has pledged a portion of the Pinal County General Excise Tax Revenues and a portion of the State Shared Revenues to repay both of the Series 2010 bond issuances. Total principal and interest payments remaining on the bonds are \$37,688 payable through August 2035. State shared revenues have averaged \$22.9 million per year over the last 5 years, whereas, Excise Taxes Revenues have averaged \$12.7 million per year over the last 5 years. For the current year, state shared sales and excise revenues recognized by the County were \$27,600 and \$12,800, respectively. In the current year, the principal and interest payments were \$1,855 and \$1,130 respectively.

Bonds outstanding at June 30, 2013, were as follows:

<u>Description</u>	<u>Original Amount</u>	<u>Maturity Ranges</u>	<u>Interest Rates</u>	<u>Outstanding Principal</u>
Pledged Revenue Obligations, Series 2010	\$ 12,000	2014-2036	3.0% to 4.5%	\$ 11,380
Pledged Revenue Refunding Obligations, Series 2010	\$ 18,380	2014-2021	2.5% to 5.0%	16,840
				<u>\$ 28,220</u>

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The following schedule details debt service requirements to maturity for the County's bonds payable at June 30, 2013:

<u>Year Ending June 30</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2014	\$ 2,180	\$ 1,078
2015	2,255	1,016
2016	2,315	947
2017	2,390	877
2018	2,475	793
2019-2023	8,975	2,366
2024-2028	2,450	1,405
2029-2033	3,015	837
2034-2036	2,165	149
Total	<u>\$ 28,220</u>	<u>\$ 9,468</u>

Capital leases

The County has acquired heavy machinery, and other machinery and equipment under the provisions of various long-term lease agreements classified as capital leases for accounting purposes because they provide for a bargain purchase option or a transfer of ownership by the end of the lease term.

At June 30, 2013, the assets acquired through capital leases are as follows:

	<u>Governmental Activities</u>
Machinery and equipment	\$ 8,198
Less: accumulated depreciation	6,105
Carrying value	<u>\$ 2,093</u>

The following schedule details debt service requirements to maturity for the County's capital leases payable at June 30, 2013:

<u>Year Ending June 30</u>	<u>Governmental Activities</u>
2014	\$ 1,594
2015	179
2016	439
Total minimum lease payments	<u>2,212</u>
Less amount representing interest	139
Present value of net minimum lease payments	<u>\$ 2,073</u>

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Landfill closure and postclosure care costs

The County has contracted with an outside agency to provide operations for its solid waste facility. The contract requires the outside agency to reserve funds in accordance with the closure plan for closure and postclosure care costs. In the event of termination of the contract, the required reserve funds are to be remitted to the Arizona Department of Environmental Quality. Consequently, no liability for landfill closure and postclosure care costs has been recorded on the basic financial statements.

Compensated absences and claims and judgments

Compensated absences are paid from various funds in the same proportion that those funds pay payroll costs. Claims and judgments are generally paid from the fund that accounts for the activity that gave rise to the claim. During fiscal year 2013, the County paid for governmental-type activity compensated absences as follows: 77 percent from the General Fund, 9 percent from the Public Works Highway Fund, and 14 percent from other governmental funds. The County paid for claims and judgments from the General Fund.

Note 10 – Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. For these risks of loss, the County joined and is covered by two public entity risk pools: the Arizona Counties Property and Casualty Pool and the Arizona Counties Workers' Compensation Pool, which are described below. Settled claims have not exceeded coverage provided in any of the past 3 fiscal years.

The Arizona Counties Property and Casualty Pool is a public entity risk pool currently composed of 11 member counties. The pool provides member counties catastrophic loss coverage for risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters; and provides risk management services. Such coverage includes all defense costs as well as the amount of any judgment or settlement. The County is responsible for paying a premium based on its exposure in relation to the exposure of the other participants, and a deductible of \$10 per occurrence for property claims and \$50 per occurrence for liability claims. The County is also responsible for any payments in excess of the maximum coverage of \$300 million per occurrence for property claims and \$15 million per occurrence for liability claims. However, lower limits apply to certain categories of losses. A county must participate in the pool at least 3 years after becoming a member; however, it may withdraw after the initial 3-year period. If the pool were to become insolvent, the County would be assessed an additional contribution.

The Arizona Counties Workers' Compensation Pool is a public entity risk pool currently composed of 11 member counties. The pool provides member counties with workers' compensation coverage, as required by law, and risk management services. The County is responsible for paying a premium, based on an experience-rating formula that allocates pool expenditures and liabilities among the members.

The Arizona Counties Property and Casualty Pool and the Arizona Counties Workers' Compensation Pool receive independent audits annually and an audit by the Arizona Department of Insurance every 5 years. Both pools accrue liabilities for losses that have been incurred but not reported. These liabilities are determined annually based on an independent actuarial valuation.

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Pursuant to A.R.S. §11-981, the County has established the Pinal County Employee Benefit Trust, which covers medical, dental, vision, short-term disability, employee life and accidental disability, and dependent life claims. The County is responsible for paying a premium to the Trust for the costs incurred by the Trust for insurance premiums and an estimate of risk that is retained. The premiums are periodically adjusted for the difference between actual costs incurred by the Trust and the premiums paid by the County.

The liability for medical, dental, vision, and short-term disability claims of the Trust totaling \$2,212 at June 30, 2013 is the estimated ultimate cost of settling claims that have been reported but unpaid and incurred but not reported. This estimate is based on an actuarial estimate. Changes in the Trust's claims payable for the years ended June 30, 2012 and 2013 were as follows:

	2012	2013
Claims payable, beginning of year	\$ 2,437	\$ 2,353
Current-year claims and changes in estimate	16,067	14,660
Claim payments	(16,151)	(14,801)
Claims payable, end of year	\$ 2,353	\$ 2,212

As provided by A.R.S. §23-750, the State, its political subdivisions, and any instrumentality, agency, or board of the State or political subdivision have two options for satisfying unemployment compensation obligations: 1) direct quarterly payments to the unemployment fund administered by the Arizona Department of Economic Security (ADES) based on a computed contribution rate assigned to the employer by ADES or 2) the government may elect to be liable for any unemployment compensation obligations. Pinal County has elected to be responsible for its unemployment obligations. The County does not accumulate and reserve monies for its workforce.

Note 11 – Pensions and Other Post-Employment Benefits (OPEB)

Plan Descriptions —The County contributes to four plans, three of which are described below. The Elected Officials Retirement Plan (EORP) is not described due to its relative insignificance to the County's financial statements. Benefits are established by state statute, and the plans generally provide retirement, long-term disability, and health insurance premium benefits, including death and survivor benefits. The retirement benefits are generally paid at a percentage, based on years of service, of the retirees' average compensation. Long-term disability benefits vary by circumstance, but generally pay a percentage of the employee's monthly compensation. Health insurance premium benefits are paid as a fixed dollar amount per month towards the retiree's healthcare insurance premiums, in amounts based on whether the benefit is for the retiree or for the retiree and his or her dependents.

The *Arizona State Retirement System* (ASRS) administers a cost-sharing, multiple-employer defined benefit pension plan; a cost-sharing, multiple-employer defined benefit health insurance premium benefit plan; and a cost-sharing, multiple-employer defined benefit long-term disability plan that covers employees of the State of Arizona and employees of participating political subdivisions, including general employees of the County, and school districts. The ASRS is governed by the Arizona State Retirement System Board according to the provisions of A.R.S. Title 38, Chapter 5, Article 2.

The *Public Safety Personnel Retirement System* (PSPRS) administers an agent multiple-employer defined benefit pension plan and an agent multiple-employer defined benefit health insurance premium benefit plan that covers public safety personnel who are regularly assigned hazardous duty

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as employees of the State of Arizona and participating political subdivisions. The PSPRS, acting as a common investment and administrative agent, is governed by a seven-member board, known as The Board of Trustees, and the participating local boards according to the provisions of A.R.S. Title 38, Chapter 5, Article 4.

The *Corrections Officer Retirement Plan* (CORP) administers an agent multiple-employer defined benefit pension plan and an agent multiple-employer defined benefit health insurance premium benefit plan that covers certain state, county, and local correction officers; dispatchers; and probation, surveillance, and juvenile detention officers as well as the *Administrative Office of the Courts* (CORP-AOC). The CORP is governed by The Board of Trustees of PSPRS and the participating local boards according to the provisions of A.R.S. Title 38, Chapter 5, Article 6.

Each plan issues a publicly available financial report that includes its financial statements and required supplementary information. A report is available on their website or may be obtained by writing or calling the applicable plan.

ASRS

3300 N. Central Ave.
P.O. Box 33910
Phoenix, AZ 85067-3910
(602) 240-2000 or (800) 621-3778
www.azasrs.gov

PSPRS and CORP

3010 E. Camelback Rd., Suite 200
Phoenix, AZ 85016-4416
(602) 255-5575
www.psprs.com

Funding Policy—The Arizona State Legislature establishes and may amend active plan members' and the County's contribution rates.

Cost-sharing plans—For the year ended June 30, 2013 active ASRS members were required by statute to contribute at the actuarially determined rate of 11.14 percent (10.9 percent for retirement and 0.24 percent long-term disability) of the members' annual covered payroll and the County was required by statute to contribute at the actuarially determined rate of 11.14 percent (10.25 percent for retirement, 0.65 percent for health insurance premium benefit, and 0.24 percent for long-term disability) of the members' annual covered payroll.

The County's contributions for the current and 2 preceding years, all of which were equal to the required contributions, were as follows:

Year ended June 30,	<u>ASRS</u> <u>Retirement Fund</u>	<u>Health Benefit</u> <u>Supplement Fund</u>	<u>Long-Term</u> <u>Disability Fund</u>
2013	\$ 6,471	\$ 410	\$ 152
2012	6,208	396	151
2011	6,832	447	190

Agent plans—For the year ended June 30, 2013, active PSPRS members were required by statute to contribute 9.55 percent of the members' annual covered payroll and the County was required to contribute 21.27% percent, the aggregate of which is the actuarially required amount. The health insurance premium benefit portion of the contribution rate was actuarially set at 1.21 percent of covered payroll. Active CORP members (adult detention officers) were required by statute to contribute 8.41 percent of the members' annual covered payroll and the County was required to contribute 8.26 percent, the aggregate of which is the actuarially required amount. The health

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insurance premium benefit portion of the contribution rate was actuarially set at 0.75 percent of covered payroll. Active CORP-AOC members were required by statute to contribute 8.41 percent of the members' annual covered payroll and the County was required to contribute 13.12 percent. The aggregate of the members' and the County's contribution is greater by an immaterial amount than the actuarially required contributions due to the County's minimum contribution rate set by statute. The health insurance premium benefit portion of the contribution rate was actuarially set at 1.27 percent of covered payroll. Active CORP members (dispatchers) were required by statute to contribute 7.96 percent of the members' annual covered payroll and the County was required to contribute 7.59 percent, the aggregate of which is the actuarially required amount. The health insurance premium benefit portion of the contribution rate was actuarially set at .58 percent of covered payroll.

Actuarial methods and assumptions – The contribution requirements for the year ended June 30, 2013, were established by the June 30, 2011 actuarial valuations, and those actuarial valuations were based on the following actuarial methods and assumptions.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status of the plans and the annual required contributions are subject to continual revision as actual results are compared to past expectations and new estimates are made. The required schedule of funding progress presented as required supplementary information provides multiyear trend information that shows whether the actuarial value of the plans' assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Projections of benefits are based on (1) the plans as understood by the County and plans' members and include the types of benefits in force at the valuation date, and (2) the pattern of sharing benefit costs between the County and plans' members to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. The significant actuarial methods and assumptions used are the same for PSPRS, CORP and CORP-AOC (Adult Detention Officers, Dispatchers and Administrative Office of the Courts) and the actuarial methods and assumptions used to establish the fiscal year 2013 contribution requirements for these are as follows:

Actuarial valuation date	June 30, 2011
Actuarial cost method	Entry age normal
Amortization method	Level percent closed for unfunded actuarial accrued liability, open for excess
Remaining amortization period	25 years for unfunded actuarial accrued liability, 20 years for excess
Asset valuation method	7-year smoothed market value
Actuarial assumptions:	
Investment rate of return	8.25%
Projected salary increases	5.0% - 8.0%
Includes inflation at	5.0%
Cost-of-living adjustments	None

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Annual Pension/OPEB Cost—The County's pension/OPEB cost for the agent plans for the year ended June 30, 2013, and related information follows:

Plan	Annual pension/OPEB cost	Contributions made
PSPRS		
Pension	\$ 2,561	\$ 2,561
Health Insurance	154	154
CORP		
Adult Detention Officers		
Pension	982	982
Health Insurance	98	98
AOC		
Pension	671	671
Health Insurance	72	72
Dispatchers		
Pension	51	51
Health Insurance	4	4

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Trend Information—Annual pension and OPEB cost information for the current and two preceding years follows for each of the agent plans.

<u>Plan</u>	<u>Year Ended June 30</u>	<u>Annual Pension/OPEB Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension/OPEB Obligation</u>
PSPRS				
Pension	2013	\$ 2,561	100%	-
Health insurance	2013	154	100%	-
Pension	2012	2,261	100%	-
Health insurance	2012	156	100%	-
Pension	2011	2,154	100%	-
Health insurance	2011	154	100%	-
CORP				
Adult Detention Officers				
Pension	2013	982	100%	-
Health insurance	2013	98	100%	-
Pension	2012	677	100%	-
Health insurance	2012	92	100%	-
Pension	2011	640	100%	-
Health insurance	2011	82	100%	-
AOC				
Pension	2013	671	100%	-
Health Insurance	2013	72	100%	-
Pension	2012	644	100%	-
Health Insurance	2012	79	100%	-
Pension	2011	597	100%	-
Health Insurance	2011	77	100%	-
Dispatchers				
Pension	2013	51	100%	-
Health insurance	2013	4	100%	-
Pension	2012	38	100%	-
Health insurance	2012	4	100%	-
Pension	2011	44	100%	-
Health insurance	2011	4	100%	-

Funded Status—The funded status of the plans as of June 30, 2013 along with the actuarial assumptions and methods used in those valuations follow. Additionally, the required schedule of funding progress presented in the required supplementary information section following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

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	Actuarial value of plan assets	Actuarial accrued liability	Unfunded actuarial accrued liability (funding excess)	Funded ratio	Annual covered payroll	Unfunded actuarial accrued liability (funding excess) as a percentage of covered payroll
	(a)	(b)	(b) - (a)	(a) / (b)	(c)	(b) - (a) / (c)
PSPRS						
Pension	\$43,793	\$65,860	\$22,067	66.49%	\$12,960	170.27%
Health						
Insurance	-	1,842	1,842	0.00%	12,960	14.21%
CORP						
<u>Adult Detention Officers</u>						
Pension	24,202	28,987	4,785	83.49%	12,880	37.15%
Health						
Insurance	-	1,095	1,095	0.00%	12,880	8.50%
<u>AOC*</u>						
Pension	N/A	N/A	N/A	N/A	N/A	N/A
Health						
Insurance	N/A	N/A	N/A	N/A	N/A	N/A
<u>Dispatchers</u>						
Pension	1,489	2,054	565	72.49%	646	87.46%
Health						
Insurance	-	65	65	0.00%	646	10.06%

*The funded status information for CORP-AOC is only reported for the plan as a whole and, therefore, actuarial information for the County, as a participating government, is not available.

The actuarial methods and assumptions used are the same for all plans and related benefits, and for the most recent valuation date, are as follows:

Actuarial valuation date	June 30, 2013
Actuarial cost method	Entry age normal
Amortization method	Level percent closed for unfunded actuarial accrued liability, open for excess
Remaining amortization period	23 years for unfunded actuarial accrued liability, 20 years for excess
Asset valuation method	7-year smoothed market value
Actuarial assumptions:	
Investment rate of return	7.85%
Projected salary increases	4.50% - 8.50%
Includes inflation at	4.50%
Cost-of-living adjustments	None

PINAL COUNTY
Notes to the Financial Statements
June 30, 2013
(Amounts expressed in thousands)

Note 12 – Interfund Balances and Activity

Interfund receivables and payables—interfund balances at June 30, 2013 were as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Development Impact Fee Fund	\$ 887
	Other Governmental Funds	513
		<u>1,400</u>
Public Works Highway Fund	General Fund	2
	Road Tax Districts Fund	17
	Other Governmental Funds	4
		<u>23</u>
Other Governmental Funds	General Fund	258
	Public Works Highway Fund	3
	Other Governmental Funds	200
		<u>461</u>
Total		<u>\$ 1,884</u>

Interfund balances resulted from cash deficits in individual funds or cash transfers that had not occurred at June 30, 2013, and are expected to be repaid within one year from the date of the financial statements.

PINAL COUNTY
Notes to the Financial Statements
June 30, 2013
(Amounts expressed in thousands)

Interfund transfers—Interfund transfers for the year ended June 30, 2013, were as follows:

<u>Transfer from</u>	<u>Transfer To</u>	<u>Amount</u>
General Fund	Other Governmental Funds	\$ 4,408
		<u>4,408</u>
Road Tax Districts Fund	Public Works Highway Fund	10
	Other Governmental Funds	2,108
		<u>2,118</u>
Public Works Highway Fund	General Fund	1,979
	Road Tax Districts Fund	750
	Other Governmental Funds	463
		<u>3,192</u>
Development Impact Fee Fund	Other Governmental Funds	1,000
		<u>1,000</u>
Other Governmental Funds	General Fund	1,390
	Other Governmental Funds	11,137
		<u>12,527</u>
Long Term Care Fund	Other Governmental Funds	1,901
		<u>1,901</u>
Other Enterprise Funds	General Fund	19
	Other Governmental Funds	100
		<u>119</u>
Total transfers		<u>\$25,265</u>

The principal purpose of interfund transfers was to provide funds to cover debt service payments, provide grant matches, provide subsidies to cover operating expenses, and to provide funds for capital outlay. All significant interfund transfers were routine and consistent with the activities of the fund making the transfer.

PINAL COUNTY
Notes to the Financial Statements
June 30, 2013
(Amounts expressed in thousands)

Note 13 – County Treasurer’s Investment Pool

Arizona Revised Statutes require community colleges, school districts, and other local governments to deposit certain public monies with the County Treasurer. The Treasurer has a fiduciary responsibility to administer those and the County monies under her stewardship. The Treasurer invests, on a pool basis, all idle monies not specifically invested for a fund or program. In addition, the Treasurer determines the fair value of those pooled investments annually at June 30.

The County Treasurer’s investment pool is not registered with the Securities and Exchange Commission as an investment company and there is no regulatory oversight of its operations. The pool’s structure does not provide for shares and the County has not provided or obtained any legally binding guarantees to support the value of the participants’ investments.

The Treasurer allocates interest earnings to each of the pool’s participants. However, for the County’s monies in the pool the Board of Supervisors authorized \$143 of interest earned in certain other funds to be transferred to the General Fund.

Substantially, all deposits and investments of the County’s primary government are included in the County Treasurer’s investment pool, except for \$38 in cash on hand, \$843 in deposits, \$5,369 of investments in the State Treasurer’s Investment Pool and \$50 in Certificates of Deposit. Therefore, the deposit and investment risks of the Treasurer’s investment pool are substantially the same as the County’s deposit and investment risks exclusive of the investments just described above. See Note 4 for disclosure of the County’s deposit and investment risks.

Details of each major investment classification follow:

Investment Type	Principal	Interest Rates	Maturities	Amount
Repurchase Agreements	\$ 87,000	0.016%	Daily	\$ 87,000
U.S. agency securities	89,964	0.25% -1.375%	8/13 - 5/18	89,694
School bond investment	648	1.51%	5/14 - 5/17	648
CDs	1,992	.6%-1.85%	5/14-5/17	2,008

PINAL COUNTY
Notes to the Financial Statements
June 30, 2013
(Amounts expressed in thousands)

A condensed statement of the investment pool's net position and changes in net position follows:

Statement of Net Position

Assets	\$ 259,924
Liabilities	-
Net Position	<u>\$ 259,924</u>

Net position held in trust for:

Internal participants	\$ 147,968
External participants	<u>111,956</u>
Total net position held in trust	<u>\$ 259,924</u>

Statement of Changes in Net Position

Total additions	\$ 902,112
Total deductions	<u>(962,648)</u>
Net decrease	<u>(60,536)</u>
Net position held in trust:	
July 1, 2012	<u>320,460</u>
June 30, 2013	<u>\$ 259,924</u>

Note 14 – Contingent Liabilities

Developer Claims

In previous years, the County entered into agreements with developers for projects located within County boundaries which contained provisions to extend the agreements. The County did not extend the agreements.

As a result, certain developers filed suit claiming breach of contract and other related claims against the County. Summary judgments were granted to four developers, in which one judgment was granted after year-end. Claims for damages pertaining to these judgments could total between \$150 and \$15,000, of which \$7,000 relates to future fee payments. The County is currently appealing the judgments, and has complied with court orders to separate all money paid by any of these developers. In addition, several developers have filed claims and/or suits claiming damages that could total approximately \$17,750.

Other Legal Matter

The County entered into a contract with a software firm for the integration of an accounting system. The County terminated this contract and retained another consultant to complete the work required under contract. The amount of the claim is \$442.

The County's legal counsel is unable to assess the likelihood of an unfavorable outcome or the amount of potential loss that will be incurred as a result of both of these litigations. As a result, no provision for losses related to these matters has been reported in the County's financial statements.

PINAL COUNTY
Notes to the Financial Statements
June 30, 2013
(Amounts expressed in thousands)

Note 15 – Stewardship, Compliance, and Accountability

For the fiscal year ended June 30, 2013, expenditures exceeded appropriations in the Animal Control fund by \$476. The excess expenditures were the result of unexpected expenditures and/or additional unanticipated revenues.

Note 16 – Subsequent Events

On February 3, 2014, the County's elections office was destroyed by fire resulting in a loss of equipment. The estimated amount of the loss on equipment is estimated to be between \$1,000 and \$1,500.

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Required Supplementary Information



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PINAL COUNTY
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
Year Ended June 30, 2013
(Amounts expressed in thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 93,628	\$ 93,628	\$ 93,867	\$ 239
Licenses and permits	1,659	1,659	1,752	93
Intergovernmental	39,432	39,432	40,109	677
Charges for services	18,946	18,946	20,106	1,160
Fines and forfeits	1,782	1,782	1,838	56
Investment earnings	300	300	123	(177)
Rentals	107	107	66	(41)
Miscellaneous	381	381	469	88
Total revenues	156,235	156,235	158,330	2,095
Expenditures				
General Government				
Assessor	3,517	3,592	3,417	175
Assistant County Manager-Admin	50,605	57,539	18,319	39,220
Assistant County Manager-Development	6,863	6,930	6,894	36
Board of Supervisors	1,313	1,432	1,223	209
County Manager	5,427	3,561	1,378	2,183
Recorder	2,843	2,872	2,484	388
Treasurer	1,545	1,561	1,438	123
Total General Government	72,113	77,487	35,153	42,334
Public Safety				
Assistant County Manager-Admin	6,840	6,932	6,920	12
Attorney	9,059	9,360	9,560	(200)
Clerk of Superior Court	4,705	4,800	4,690	110
Courts	23,408	23,290	22,682	608
Sheriff	50,898	51,838	51,897	(59)
Total Public Safety	94,910	96,220	95,749	471
Highways and streets				
Assistant County Manager-Development	12	12	12	-
Total Highways and streets	12	12	12	-
Sanitation				
Assistant County Manager-Development	109	109	16	93
Total Sanitation	109	109	16	93

(Continued)

PINAL COUNTY
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
Year Ended June 30, 2013
(Concluded)
(Amounts expressed in thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Health				
Assistant County Manager-Development	\$ 917	\$ 937	\$ -	\$ 937
Assistant County Manager-Admin	20,932	20,938	20,918	20
Total Health	<u>21,849</u>	<u>21,875</u>	<u>20,918</u>	<u>957</u>
Welfare				
Assistant County Manager-Admin	916	931	891	40
Total Welfare	<u>916</u>	<u>931</u>	<u>891</u>	<u>40</u>
Education				
School Superintendent	904	918	903	15
Total Education	<u>904</u>	<u>918</u>	<u>903</u>	<u>15</u>
Total general fund expenditures	<u>190,813</u>	<u>197,552</u>	<u>153,642</u>	<u>43,910</u>
Excess (deficiency) of revenues over expenditures	<u>(34,578)</u>	<u>(41,317)</u>	<u>4,688</u>	<u>46,005</u>
Other financing sources (uses):				
Transfers in	3,403	3,437	3,388	(49)
Transfers out	(11,241)	(4,536)	(4,408)	128
Proceeds from sale of capital assets	70	70	34	(36)
Insurance reimbursement	30	30	610	580
Total other financing sources (uses)	<u>(7,738)</u>	<u>(999)</u>	<u>(376)</u>	<u>623</u>
Net change in fund balances	(42,316)	(42,316)	4,312	46,628
Fund balances - beginning	42,316	42,316	43,729	1,413
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 48,041</u>	<u>\$ 48,041</u>

PINAL COUNTY
Required Supplementary Information
Budgetary Comparison Schedule
Road Tax Districts Fund
Year Ended June 30, 2013
(Amounts expressed in thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 6,104	\$ 6,104	\$ 6,530	\$ 426
Intergovernmental	543	543	128	(415)
Investment earnings	65	65	37	(28)
Contributions	-	-	13	13
Miscellaneous	-	-	239	239
Total revenues	<u>6,712</u>	<u>6,712</u>	<u>6,947</u>	<u>235</u>
Expenditures:				
Highways and streets	<u>9,367</u>	<u>10,117</u>	<u>6,604</u>	<u>3,513</u>
Total expenditures	<u>9,367</u>	<u>10,117</u>	<u>6,604</u>	<u>3,513</u>
Excess (deficiency) of revenues over expenditures	<u>(2,655)</u>	<u>(3,405)</u>	<u>343</u>	<u>3,748</u>
Other financing sources (uses):				
Transfers in	750	1,500	750	(750)
Transfers out	<u>(2,310)</u>	<u>(2,310)</u>	<u>(2,118)</u>	<u>192</u>
Total other financing sources (uses)	<u>(1,560)</u>	<u>(810)</u>	<u>(1,368)</u>	<u>(558)</u>
Net change in fund balances	(4,215)	(4,215)	(1,025)	3,190
Fund balances - beginning	<u>4,215</u>	<u>4,215</u>	<u>14,395</u>	<u>10,180</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,370</u>	<u>\$ 13,370</u>

PINAL COUNTY
Required Supplementary Information
Budgetary Comparison Schedule
Public Works Highway Fund
Year Ended June 30, 2013
(Amounts expressed in thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 19,180	\$ 19,180	\$ 22,393	\$ 3,213
Charges for services	-	-	13	13
Investment earnings	60	60	27	(33)
Miscellaneous	300	300	91	(209)
Total revenues	<u>19,540</u>	<u>19,540</u>	<u>22,524</u>	<u>2,984</u>
Expenditures:				
Current:				
Highways and streets	19,879	19,129	15,570	3,559
Debt Service:				
Principal retirement	496	496	496	-
Interest	68	68	68	-
Total expenditures	<u>20,443</u>	<u>19,693</u>	<u>16,134</u>	<u>3,559</u>
Excess (deficiency) of revenues over expenditures	<u>(903)</u>	<u>(153)</u>	<u>6,390</u>	<u>6,543</u>
Other financing sources (uses):				
Transfers in	1,250	1,250	10	(1,240)
Transfers out	(2,577)	(3,327)	(3,192)	135
Proceeds from sale of capital assets	-	-	1	1
Total other financing sources (uses)	<u>(1,327)</u>	<u>(2,077)</u>	<u>(3,181)</u>	<u>(1,104)</u>
Net change in fund balances	<u>(2,230)</u>	<u>(2,230)</u>	<u>3,209</u>	<u>5,439</u>
Fund balances - beginning	<u>2,230</u>	<u>2,230</u>	<u>11,496</u>	<u>9,266</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,705</u>	<u>\$ 14,705</u>

PINAL COUNTY
Required Supplementary Information
Budgetary Comparison Schedule
Development Impact Fee Fund
Year Ended June 30, 2013
(Amounts expressed in thousands)

	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Charges for services	\$ 1,040	\$ 4,175	\$ 3,135
Investment earnings	-	28	28
Miscellaneous	-	2	2
Total revenues	<u>1,040</u>	<u>4,205</u>	<u>3,165</u>
Expenditures:			
Public safety	1	1	-
Highways and streets	32	5	27
Culture and recreation	7	-	7
Total expenditures	<u>40</u>	<u>6</u>	<u>34</u>
Excess of revenues over expenditures	<u>1,000</u>	<u>4,199</u>	<u>3,199</u>
Other financing uses:			
Transfers out	(1,750)	(1,000)	750
Total other financing uses	<u>(1,750)</u>	<u>(1,000)</u>	<u>750</u>
Net change in fund balances	(750)	3,199	3,949
Fund balances - beginning	<u>750</u>	<u>9,197</u>	<u>8,447</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ 12,396</u>	<u>\$ 12,396</u>

Pinal County
Required Supplementary Information
Notes to Budgetary Comparison Schedules
June 30, 2013
(Amounts expressed in thousands)

Note 1 – Budgetary Basis of Accounting

Arizona Revised Statutes (A.R.S.) requires the County to prepare and adopt a balanced budget annually for each governmental fund. The Board of Supervisors must approve such operating budgets on or before the third Monday in July to allow sufficient time for the legal announcements and hearings required for the adoption of the property tax levy on the third Monday in August. A.R.S. prohibits expenditures or liabilities in excess of the amounts budgeted.

Expenditures may not legally exceed appropriations at the department level. In certain instances, transfers of appropriations between departments or from the contingency account to a department may be made upon the Board of Supervisors' approval.

The County's budget is prepared on a basis consistent with U.S. generally accepted accounting principles.

Note 2 – Expenditures in Excess of Appropriations

For the year ended June 30, 2013, expenditures exceeded final budget amounts at the department level (the legal level of budgetary control) as follows:

<u>Fund/Department</u>	<u>Excess</u>
Animal Control	\$ 476

The excess expenditures were primarily the result of unexpected expenditures and/or additional unanticipated revenues. The County is evaluating whether these excesses should be considered in next year's budget or if another solution is possible to avoid this situation again.

PINAL COUNTY
Required Supplementary Information
Schedule of Agent Retirement Plans' Funding Progress
June 30, 2013
(Amounts expressed in thousands)

Public Safety Personnel Retirement System

Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (b)	Funding (Liability) Excess (a-b)	Funded Ratio (a/b)	Annual Covered Payroll (c)	Unfunded Liability as Percentage of Covered Payroll ([a-b]/c)
Pension						
6/30/2013	\$43,793	\$65,860	(\$22,067)	66.49%	\$12,960	170.27%
6/30/2012	\$42,235	\$62,898	(\$20,663)	67.15%	\$12,760	161.94%
6/30/2011	\$39,417	\$57,339	(\$17,922)	68.74%	\$13,463	133.12%
Health Insurance						
6/30/2013	\$0	\$1,842	(\$1,842)	0.00%	\$12,960	14.21%
6/30/2012	\$0	\$1,755	(\$1,755)	0.00%	\$12,760	13.75%
6/30/2011	\$0	\$1,903	(\$1,903)	0.00%	\$13,463	14.14%

PINAL COUNTY
Required Supplementary Information
Schedule of Agent Retirement Plans' Funding Progress
June 30, 2013
(Amounts expressed in thousands)

Corrections Officer Retirement Plan

Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (b)	Funding (Liability) Excess (a-b)	Funded Ratio (a/b)	Annual Covered Payroll (c)	Unfunded Liability as Percentage of Covered Payroll ([a-b]/c)
<u>Adult Detention Officers</u>						
Pension						
6/30/2013	\$24,202	\$28,987	(\$4,785)	83.49%	\$12,880	37.15%
6/30/2012	\$21,767	\$26,786	(\$5,019)	81.26%	\$13,102	38.31%
6/30/2011	\$19,479	\$22,041	(\$2,562)	88.38%	\$13,021	19.68%
Health						
Insurance						
6/30/2013	\$0	\$1,095	(\$1,095)	0.00%	\$12,880	8.50%
6/30/2012	\$0	\$1,027	(\$1,027)	0.00%	\$13,102	7.84%
6/30/2011	\$0	\$1,019	(\$1,019)	0.00%	\$13,021	7.83%
<u>AOC*</u>						
Pension						
6/30/2013	N/A	N/A	N/A	N/A	N/A	N/A
6/30/2012	N/A	N/A	N/A	N/A	N/A	N/A
6/30/2011	N/A	N/A	N/A	N/A	N/A	N/A
Health						
Insurance						
6/30/2013	N/A	N/A	N/A	N/A	N/A	N/A
6/30/2012	N/A	N/A	N/A	N/A	N/A	N/A
6/30/2011	N/A	N/A	N/A	N/A	N/A	N/A
<u>Dispatchers</u>						
Pension						
6/30/2013	\$1,489	\$2,054	(\$565)	72.49%	\$646	87.46%
6/30/2012	\$1,418	\$2,023	(\$605)	70.09%	\$862	70.19%
6/30/2011	\$1,360	\$1,703	(\$343)	79.86%	\$968	35.43%
Health						
Insurance						
6/30/2013	\$0	\$65	(\$65)	0.00%	\$646	10.06%
6/30/2012	\$0	\$61	(\$61)	0.00%	\$862	7.08%
6/30/2011	\$0	\$56	(\$56)	0.00%	\$968	5.79%

*The funding progress information for CORP-AOC is only reported for the plan as a whole and, therefore, actuarial information for the County as a participating government is not available.

Combining Statements and Individual Schedules



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PINAL COUNTY
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2013

(Amounts expressed in thousands)

	Special Revenue Funds	Capital Projects Funds	Debt Service Funds	Total
Assets				
Cash, cash equivalents and investments	\$ 40,652	\$ 10,833	\$ 2,103	\$ 53,588
Cash and investments held by trustees	-	-	4,976	4,976
Receivables (net):				
Property taxes	370	-	-	370
Accounts	460	1	-	461
Due from other funds	446	15	-	461
Due from other governments	2,488	-	-	2,488
Inventories	36	-	-	36
Prepaid items	32	-	-	32
Restricted assets:				
Cash and cash equivalents	213	-	-	213
Total assets	\$ 44,697	\$ 10,849	\$ 7,079	\$ 62,625
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	\$ 1,458	\$ 502	\$ -	\$ 1,960
Accrued payroll and employee benefits	371	-	-	371
Due to other funds	701	16	-	717
Due to other governments	78	-	-	78
Deposits held for others	138	3	-	141
Unearned revenue	1,296	-	-	1,296
Total liabilities	4,042	521	-	4,563
Fund Balances:				
Nonspendable:				
Inventories	36	-	-	36
Prepaid items	32	-	-	32
Total nonspendable	68	-	-	68
Restricted	37,896	7,699	5,288	50,883
Committed	2,632	-	-	2,632
Assigned	59	2,629	1,791	4,479
Total fund balances	40,655	10,328	7,079	58,062
Total liabilities and fund balances	\$ 44,697	\$ 10,849	\$ 7,079	\$ 62,625

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2013
(Amounts expressed in thousands)

	Special Revenue Funds	Capital Projects Funds	Debt Service Funds	Total
Revenues				
Taxes	\$ 10,895	\$ -	\$ -	\$ 10,895
Licenses and permits	1,794	-	-	1,794
Intergovernmental	28,628	-	-	28,628
Charges for services	5,015	-	-	5,015
Fines and forfeits	2,314	-	-	2,314
Investment earnings	116	23	6	145
Contributions	792	-	-	792
Rentals	330	-	-	330
Miscellaneous	584	-	-	584
Total revenues	<u>50,468</u>	<u>23</u>	<u>6</u>	<u>50,497</u>
Expenditures				
General government	763	-	-	763
Public safety	22,200	-	-	22,200
Highways and streets	4,334	-	-	4,334
Sanitation	308	-	-	308
Health	10,212	-	-	10,212
Welfare	6,913	-	-	6,913
Culture and recreation	1,888	-	-	1,888
Education	5,528	-	-	5,528
Debt Service:				
Principal retirement	-	-	10,250	10,250
Interest	-	-	6,914	6,914
Other	-	-	3	3
Capital outlay	-	6,449	-	6,449
Total expenditures	<u>52,146</u>	<u>6,449</u>	<u>17,167</u>	<u>75,762</u>
Deficiency of revenues over expenditures	<u>(1,678)</u>	<u>(6,426)</u>	<u>(17,161)</u>	<u>(25,265)</u>
Other financing sources (uses):				
Transfers in	2,415	3,927	14,775	21,117
Transfers out	(8,904)	(3,623)	-	(12,527)
Proceeds from the sale of capital assets	99	-	-	99
Total other financing sources (uses)	<u>(6,390)</u>	<u>304</u>	<u>14,775</u>	<u>8,689</u>
Net change in fund balances	(8,068)	(6,122)	(2,386)	(16,576)
Fund balances - beginning	48,713	16,450	9,465	74,628
Changes in nonspendable resources:				
Increase in inventories	8	-	-	8
Increase in prepaid items	2	-	-	2
Fund balances - ending	<u>\$ 40,655</u>	<u>\$ 10,328</u>	<u>\$ 7,079</u>	<u>\$ 58,062</u>

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2013
(Amounts expressed in thousands)

	Adult Probation	Air Quality
Assets		
Cash, cash equivalents and investments	\$ 929	\$ 706
Receivables (net):		
Property taxes	-	-
Accounts	59	-
Due from other funds	42	-
Due from other governments	21	15
Inventories	-	-
Prepaid items	-	-
Restricted assets:		
Cash and cash equivalents - restricted	-	-
Total assets	\$ 1,051	\$ 721
Liabilities and Fund Balances		
Liabilities:		
Accounts payable	\$ 78	\$ 5
Accrued payroll and employee benefits	50	20
Due to other funds	44	2
Due to other governments	-	-
Deposits held for others	-	-
Unearned revenue	-	41
Total liabilities	172	68
Fund Balances:		
Nonspendable:		
Inventories	-	-
Prepaid items	-	-
Total nonspendable	-	-
Restricted	879	653
Committed	-	-
Assigned	-	-
Total fund balances	879	653
Total liabilities and fund balances	\$ 1,051	\$ 721

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2013
(Amounts expressed in thousands)

	Animal Control	Attorney	Clerk of Courts
Assets			
Cash, cash equivalents and investments	\$ 275	\$ 4,638	\$ 1,784
Receivables (net):			
Property taxes	14	-	-
Accounts	2	1	43
Due from other funds	1	130	-
Due from other governments	-	328	-
Inventories	-	-	-
Prepaid items	-	-	-
Restricted assets:			
Cash and cash equivalents - restricted	-	-	-
Total assets	<u>\$ 292</u>	<u>\$ 5,097</u>	<u>\$ 1,827</u>
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ 75	\$ 226	\$ 23
Accrued payroll and employee benefits	21	57	1
Due to other funds	-	58	-
Due to other governments	-	15	-
Deposits held for others	-	-	-
Unearned revenue	13	205	-
Total liabilities	<u>109</u>	<u>561</u>	<u>24</u>
Fund Balances:			
Nonspendable:			
Inventories	-	-	-
Prepaid items	-	-	-
Total nonspendable	<u>-</u>	<u>-</u>	<u>-</u>
Restricted	110	4,354	714
Committed	73	182	1,089
Assigned	-	-	-
Total fund balances	<u>183</u>	<u>4,536</u>	<u>1,803</u>
Total liabilities and fund balances	<u>\$ 292</u>	<u>\$ 5,097</u>	<u>\$ 1,827</u>

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2013
(Amounts expressed in thousands)

	Courts	Employee Wellness
Assets		
Cash, cash equivalents and investments	\$ 2,594	\$ 44
Receivables (net):		
Property taxes	-	-
Accounts	63	-
Due from other funds	157	-
Due from other governments	72	-
Inventories	-	-
Prepaid items	-	-
Restricted assets:		
Cash and cash equivalents - restricted	-	-
Total assets	\$ 2,886	\$ 44
Liabilities and Fund Balances		
Liabilities:		
Accounts payable	\$ 15	\$ -
Accrued payroll and employee benefits	21	-
Due to other funds	437	-
Due to other governments	-	-
Deposits held for others	-	-
Unearned revenue	3	-
Total liabilities	476	-
Fund Balances:		
Nonspendable:		
Inventories	-	-
Prepaid items	-	-
Total nonspendable	-	-
Restricted	1,858	44
Committed	552	-
Assigned	-	-
Total fund balances	2,410	44
Total liabilities and fund balances	\$ 2,886	\$ 44

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2013
(Amounts expressed in thousands)

	Health Services	Justice Courts	Juvenile Probation
Assets			
Cash, cash equivalents and investments	\$ 74	\$ 1,240	\$ 598
Receivables (net):			
Property taxes	-	-	-
Accounts	-	105	11
Due from other funds	-	-	46
Due from other governments	-	104	25
Inventories	-	-	-
Prepaid items	-	-	-
Restricted assets:			
Cash and cash equivalents - restricted	-	-	-
Total assets	\$ 74	\$ 1,449	\$ 680
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ 10	\$ 57	\$ 32
Accrued payroll and employee benefits	9	3	36
Due to other funds	-	1	40
Due to other governments	-	-	63
Deposits held for others	-	-	-
Unearned revenue	-	-	10
Total liabilities	19	61	181
Fund Balances:			
Nonspendable:			
Inventories	-	-	-
Prepaid items	-	-	-
Total nonspendable	-	-	-
Restricted	55	712	499
Committed	-	676	-
Assigned	-	-	-
Total fund balances	55	1,388	499
Total liabilities and fund balances	\$ 74	\$ 1,449	\$ 680

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2013
(Amounts expressed in thousands)

	Local Transport Assist Grant	Library Grants	Miscellaneous Grants
Assets			
Cash, cash equivalents and investments	\$ 231	\$ 8	\$ 90
Receivables (net):			
Property taxes	-	-	-
Accounts	-	-	-
Due from other funds	-	2	1
Due from other governments	-	-	9
Inventories	-	-	-
Prepaid items	-	-	-
Restricted assets:			
Cash and cash equivalents - restricted	-	-	-
Total assets	\$ 231	\$ 10	\$ 100
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ 2	\$ 7	\$ 19
Accrued payroll and employee benefits	3	-	-
Due to other funds	-	-	19
Due to other governments	-	-	-
Deposits held for others	-	-	-
Unearned revenue	181	-	49
Total liabilities	186	7	87
Fund Balances:			
Nonspendable:			
Inventories	-	-	-
Prepaid items	-	-	-
Total nonspendable	-	-	-
Restricted	45	3	13
Committed	-	-	-
Assigned	-	-	-
Total fund balances	45	3	13
Total liabilities and fund balances	\$ 231	\$ 10	\$ 100

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2013
(Amounts expressed in thousands)

	Public Defender	Public Works Roadways	Public Works Services
Assets			
Cash, cash equivalents and investments	\$ 89	\$ 5,775	\$ 769
Receivables (net):			
Property taxes	-	-	-
Accounts	-	1	-
Due from other funds	-	4	-
Due from other governments	6	-	-
Inventories	-	-	-
Prepaid items	-	-	-
Restricted assets:			
Cash and cash equivalents - restricted	-	-	-
Total assets	\$ 95	\$ 5,780	\$ 769
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ 1	\$ 119	\$ 17
Accrued payroll and employee benefits	2	5	8
Due to other funds	-	-	-
Due to other governments	-	-	-
Deposits held for others	-	49	-
Unearned revenue	-	-	-
Total liabilities	3	173	25
Fund Balances:			
Nonspendable:			
Inventories	-	-	-
Prepaid items	-	-	-
Total nonspendable	-	-	-
Restricted	92	5,607	744
Committed	-	-	-
Assigned	-	-	-
Total fund balances	92	5,607	744
Total liabilities and fund balances	\$ 95	\$ 5,780	\$ 769

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2013
(Amounts expressed in thousands)

	Sheriff	Treasurer	Housing Grants
Assets			
Cash, cash equivalents and investments	\$ 508	\$ 181	\$ 253
Receivables (net):			
Property taxes	-	-	-
Accounts	3	-	157
Due from other funds	17	-	-
Due from other governments	762	-	66
Inventories	-	-	36
Prepaid items	-	-	32
Restricted assets:			
Cash and cash equivalents - restricted	-	-	213
Total assets	\$ 1,290	\$ 181	\$ 757
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ 405	\$ -	\$ 10
Accrued payroll and employee benefits	17	-	18
Due to other funds	48	-	2
Due to other governments	-	-	-
Deposits held for others	-	-	89
Unearned revenue	145	-	-
Total liabilities	615	-	119
Fund Balances:			
Nonspendable:			
Inventories	-	-	36
Prepaid items	-	-	32
Total nonspendable	-	-	68
Restricted	673	181	513
Committed	-	-	-
Assigned	2	-	57
Total fund balances	675	181	638
Total liabilities and fund balances	\$ 1,290	\$ 181	\$ 757

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2013
(Amounts expressed in thousands)

	Flood Control District	Library District	Lighting Special Districts
Assets			
Cash, cash equivalents and investments	\$ 12,905	\$ 999	\$ 5
Receivables (net):			
Property taxes	127	100	2
Accounts	1	-	-
Due from other funds	-	-	-
Due from other governments	-	-	-
Inventories	-	-	-
Prepaid items	-	-	-
Restricted assets:			
Cash and cash equivalents - restricted	-	-	-
Total assets	<u>\$ 13,033</u>	<u>\$ 1,099</u>	<u>\$ 7</u>
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ 235	\$ 21	\$ -
Accrued payroll and employee benefits	7	10	-
Due to other funds	3	2	-
Due to other governments	-	-	-
Deposits held for others	-	-	-
Unearned revenue	103	85	1
Total liabilities	<u>348</u>	<u>118</u>	<u>1</u>
Fund Balances:			
Nonspendable:			
Inventories	-	-	-
Prepaid items	-	-	-
Total nonspendable	<u>-</u>	<u>-</u>	<u>-</u>
Restricted	12,685	981	6
Committed	-	-	-
Assigned	-	-	-
Total fund balances	<u>12,685</u>	<u>981</u>	<u>6</u>
Total liabilities and fund balances	<u>\$ 13,033</u>	<u>\$ 1,099</u>	<u>\$ 7</u>

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2013
(Amounts expressed in thousands)

	Miscellaneous Fees	Desert Vista Sanitation District	Public Health Services District
Assets			
Cash, cash equivalents and investments	\$ 500	\$ 22	\$ 3,214
Receivables (net):			
Property taxes	-	1	-
Accounts	14	-	-
Due from other funds	1	-	45
Due from other governments	-	-	1,080
Inventories	-	-	-
Prepaid items	-	-	-
Restricted assets:			
Cash and cash equivalents - restricted	-	-	-
Total assets	<u>\$ 515</u>	<u>\$ 23</u>	<u>\$ 4,339</u>
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ 22	\$ -	\$ 79
Accrued payroll and employee benefits	4	-	79
Due to other funds	-	-	45
Due to other governments	-	-	-
Deposits held for others	-	-	-
Unearned revenue	-	-	354
Total liabilities	<u>26</u>	<u>-</u>	<u>557</u>
Fund Balances:			
Nonspendable:			
Inventories	-	-	-
Prepaid items	-	-	-
Total nonspendable	<u>-</u>	<u>-</u>	<u>-</u>
Restricted	429	23	3,782
Committed	60	-	-
Assigned	-	-	-
Total fund balances	<u>489</u>	<u>23</u>	<u>3,782</u>
Total liabilities and fund balances	<u>\$ 515</u>	<u>\$ 23</u>	<u>\$ 4,339</u>

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2013
(Amounts expressed in thousands)

	Queen Creek Domestic Water Imprvmt District	Accom- modation School	Total
Assets			
Cash, cash equivalents and investments	\$ -	\$ 2,221	\$ 40,652
Receivables (net):			
Property taxes	1	125	370
Accounts	-	-	460
Due from other funds	-	-	446
Due from other governments	-	-	2,488
Inventories	-	-	36
Prepaid items	-	-	32
Restricted assets:			
Cash and cash equivalents - restricted	-	-	213
Total assets	<u>\$ 1</u>	<u>\$ 2,346</u>	<u>\$ 44,697</u>
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ 1,458
Accrued payroll and employee benefits	-	-	371
Due to other funds	-	-	701
Due to other governments	-	-	78
Deposits held for others	-	-	138
Unearned revenue	1	105	1,296
Total liabilities	<u>1</u>	<u>105</u>	<u>4,042</u>
Fund Balances:			
Nonspendable:			
Inventories	-	-	36
Prepaid items	-	-	32
Total nonspendable	<u>-</u>	<u>-</u>	<u>68</u>
Restricted	-	2,241	37,896
Committed	-	-	2,632
Assigned	-	-	59
Total fund balances	<u>-</u>	<u>2,241</u>	<u>40,655</u>
Total liabilities and fund balances	<u>\$ 1</u>	<u>\$ 2,346</u>	<u>\$ 44,697</u>

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2013
(Amounts Expressed in thousands)

	Adult Probation	Air Quality
Revenues		
Taxes	\$ -	\$ -
Licenses and permits	-	1,036
Intergovernmental	2,970	96
Charges for services	840	-
Fines and forfeits	-	-
Investment earnings	2	-
Contributions	-	-
Rentals	-	-
Miscellaneous	-	-
Total revenues	3,812	1,132
Expenditures		
General government	-	-
Public safety	3,478	-
Highways and streets	-	-
Sanitation	-	-
Health	-	1,177
Welfare	-	-
Culture and recreation	-	-
Education	-	-
Total expenditures	3,478	1,177
Excess (deficiency) of revenues over expenditures	334	(45)
Other financing sources (uses):		
Transfers in	-	-
Transfers out	(4)	(186)
Proceeds from the sale of capital assets	-	-
Total other financing sources (uses)	(4)	(186)
Net change in fund balances	330	(231)
Fund balances - beginning	549	884
Changes in nonspendable resources:		
Increase in inventories	-	-
Increase in prepaid items	-	-
Fund balances - ending	\$ 879	\$ 653

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2013
(Amounts Expressed in thousands)

	Animal Control	Attorney	Clerk of Courts
Revenues			
Taxes	\$ 40	\$ -	\$ -
Licenses and permits	201	-	-
Intergovernmental	4	2,680	-
Charges for services	299	123	539
Fines and forfeits	11	2,269	-
Investment earnings	4	14	6
Contributions	22	37	-
Rentals	-	-	-
Miscellaneous	1	80	-
Total revenues	582	5,203	545
Expenditures			
General government	-	-	-
Public safety	-	5,460	468
Highways and streets	-	-	-
Sanitation	-	-	-
Health	2,476	-	-
Welfare	-	-	-
Culture and recreation	-	-	-
Education	-	-	-
Total expenditures	2,476	5,460	468
Excess (deficiency) of revenues over expenditures	(1,894)	(257)	77
Other financing sources (uses):			
Transfers in	-	425	-
Transfers out	(10)	(714)	(970)
Proceeds from the sale of capital assets	-	97	-
Total other financing sources (uses)	(10)	(192)	(970)
Net change in fund balances	(1,904)	(449)	(893)
Fund balances - beginning	2,087	4,985	2,696
Changes in nonspendable resources:			
Increase in inventories	-	-	-
Increase in prepaid items	-	-	-
Fund balances - ending	\$ 183	\$ 4,536	\$ 1,803

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2013
(Amounts Expressed in thousands)

	Courts	Employee Wellness
Revenues		
Taxes	\$ -	\$ -
Licenses and permits	-	-
Intergovernmental	588	-
Charges for services	584	-
Fines and forfeits	-	-
Investment earnings	7	-
Contributions	-	-
Rentals	-	-
Miscellaneous	7	-
Total revenues	1,186	-
Expenditures		
General government	-	-
Public safety	1,827	-
Highways and streets	-	-
Sanitation	-	-
Health	-	6
Welfare	-	-
Culture and recreation	-	-
Education	-	-
Total expenditures	1,827	6
Excess (deficiency) of revenues over expenditures	(641)	(6)
Other financing sources (uses):		
Transfers in	552	-
Transfers out	(595)	-
Proceeds from the sale of capital assets	-	-
Total other financing sources (uses)	(43)	-
Net change in fund balances	(684)	(6)
Fund balances - beginning	3,094	50
Changes in nonspendable resources:		
Increase in inventories	-	-
Increase in prepaid items	-	-
Fund balances - ending	\$ 2,410	\$ 44

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2013
(Amounts Expressed in thousands)

	Health Services	Justice Courts	Juvenile Probation
Revenues			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental	97	-	2,315
Charges for services	-	1,045	202
Fines and forfeits	-	-	-
Investment earnings	1	6	2
Contributions	-	-	-
Rentals	-	-	-
Miscellaneous	-	-	1
Total revenues	<u>98</u>	<u>1,051</u>	<u>2,520</u>
Expenditures			
General government	-	-	-
Public safety	-	522	2,504
Highways and streets	-	-	-
Sanitation	-	-	-
Health	196	-	-
Welfare	-	-	-
Culture and recreation	-	-	-
Education	-	-	-
Total expenditures	<u>196</u>	<u>522</u>	<u>2,504</u>
Excess (deficiency) of revenues over expenditures	<u>(98)</u>	<u>529</u>	<u>16</u>
Other financing sources (uses):			
Transfers in	-	-	8
Transfers out	(150)	(2,150)	(352)
Proceeds from the sale of capital assets	-	-	-
Total other financing sources (uses)	<u>(150)</u>	<u>(2,150)</u>	<u>(344)</u>
Net change in fund balances	(248)	(1,621)	(328)
Fund balances - beginning	303	3,009	827
Changes in nonspendable resources:			
Increase in inventories	-	-	-
Increase in prepaid items	-	-	-
Fund balances - ending	<u>\$ 55</u>	<u>\$ 1,388</u>	<u>\$ 499</u>

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2013
(Amounts Expressed in thousands)

	Local Transport Assist Grant	Library Grants	Miscellaneous Grants
Revenues			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental	142	60	280
Charges for services	2	-	-
Fines and forfeits	-	-	-
Investment earnings	1	-	-
Contributions	-	-	-
Rentals	-	-	-
Miscellaneous	-	-	5
Total revenues	145	60	285
Expenditures			
General government	-	-	278
Public safety	-	-	10
Highways and streets	-	-	-
Sanitation	-	-	-
Health	147	-	-
Welfare	-	-	-
Culture and recreation	-	60	-
Education	-	-	-
Total expenditures	147	60	288
Excess (deficiency) of revenues over expenditures	(2)	-	(3)
Other financing sources (uses):			
Transfers in	-	-	-
Transfers out	-	-	-
Proceeds from the sale of capital assets	2	-	-
Total other financing sources (uses)	2	-	-
Net change in fund balances	-	-	(3)
Fund balances - beginning	45	3	16
Changes in nonspendable resources:			
Increase in inventories	-	-	-
Increase in prepaid items	-	-	-
Fund balances - ending	\$ 45	\$ 3	\$ 13

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2013
(Amounts Expressed in thousands)

	Public Defender	Public Works Roadways	Public Works Services
Revenues			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	546	-
Intergovernmental	27	-	477
Charges for services	-	203	6
Fines and forfeits	-	-	-
Investment earnings	-	14	1
Contributions	-	619	-
Rentals	-	-	-
Miscellaneous	-	-	-
Total revenues	<u>27</u>	<u>1,382</u>	<u>484</u>
Expenditures			
General government	-	-	-
Public safety	115	-	390
Highways and streets	-	617	-
Sanitation	-	-	304
Health	-	-	-
Welfare	-	-	-
Culture and recreation	-	-	-
Education	-	-	-
Total expenditures	<u>115</u>	<u>617</u>	<u>694</u>
Excess (deficiency) of revenues over expenditures	<u>(88)</u>	<u>765</u>	<u>(210)</u>
Other financing sources (uses):			
Transfers in	99	-	33
Transfers out	(60)	-	-
Proceeds from the sale of capital assets	-	-	-
Total other financing sources (uses)	<u>39</u>	<u>-</u>	<u>33</u>
Net change in fund balances	(49)	765	(177)
Fund balances - beginning	141	4,842	921
Changes in nonspendable resources:			
Increase in inventories	-	-	-
Increase in prepaid items	-	-	-
Fund balances - ending	<u>\$ 92</u>	<u>\$ 5,607</u>	<u>\$ 744</u>

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2013
(Amounts Expressed in thousands)

	Sheriff	Treasurer	Housing Grants
Revenues			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental	6,880	-	6,377
Charges for services	321	64	-
Fines and forfeits	34	-	-
Investment earnings	2	-	-
Contributions	12	-	-
Rentals	-	-	322
Miscellaneous	7	-	83
Total revenues	<u>7,256</u>	<u>64</u>	<u>6,782</u>
Expenditures			
General government	-	10	-
Public safety	7,426	-	-
Highways and streets	-	-	-
Sanitation	-	-	-
Health	-	-	-
Welfare	-	-	6,913
Culture and recreation	-	-	-
Education	-	-	-
Total expenditures	<u>7,426</u>	<u>10</u>	<u>6,913</u>
Excess (deficiency) of revenues over expenditures	<u>(170)</u>	<u>54</u>	<u>(131)</u>
Other financing sources (uses):			
Transfers in	91	-	-
Transfers out	(97)	-	(1)
Proceeds from the sale of capital assets	-	-	-
Total other financing sources (uses)	<u>(6)</u>	<u>-</u>	<u>(1)</u>
Net change in fund balances	(176)	54	(132)
Fund balances - beginning	851	127	760
Changes in nonspendable resources:			
Increase in inventories	-	-	8
Increase in prepaid items	-	-	2
Fund balances - ending	<u>\$ 675</u>	<u>\$ 181</u>	<u>\$ 638</u>

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2013
(Amounts Expressed in thousands)

	Flood Control District	Library District	Lighting Special Districts
Revenues			
Taxes	\$ 3,052	\$ 2,106	\$ 21
Licenses and permits	11	-	-
Intergovernmental	155	76	-
Charges for services	8	-	-
Fines and forfeits	-	-	-
Investment earnings	36	5	-
Contributions	-	-	-
Rentals	-	-	-
Miscellaneous	201	85	-
Total revenues	<u>3,463</u>	<u>2,272</u>	<u>21</u>
Expenditures			
General government	-	-	-
Public safety	-	-	-
Highways and streets	3,700	-	17
Sanitation	-	-	-
Health	-	-	-
Welfare	-	-	-
Culture and recreation	-	1,828	-
Education	-	-	-
Total expenditures	<u>3,700</u>	<u>1,828</u>	<u>17</u>
Excess (deficiency) of revenues over expenditures	<u>(237)</u>	<u>444</u>	<u>4</u>
Other financing sources (uses):			
Transfers in	-	-	-
Transfers out	(1,205)	(1,619)	-
Proceeds from the sale of capital assets	-	-	-
Total other financing sources (uses)	<u>(1,205)</u>	<u>(1,619)</u>	<u>-</u>
Net change in fund balances	(1,442)	(1,175)	4
Fund balances - beginning	14,127	2,156	2
		-	
Changes in nonspendable resources:			
Increase in inventories	-	-	-
Increase in prepaid items	-	-	-
Fund balances - ending	<u>\$ 12,685</u>	<u>\$ 981</u>	<u>\$ 6</u>

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2013
(Amounts Expressed in thousands)

	Miscellaneous Fees	Desert Vista Sanitation District	Public Health Services District
Revenues			
Taxes	\$ -	\$ 25	\$ 2,549
Licenses and permits	-	-	-
Intergovernmental	-	-	3,052
Charges for services	490	-	281
Fines and forfeits	-	-	-
Investment earnings	1	-	7
Contributions	-	-	98
Rentals	8	-	-
Miscellaneous	-	-	8
Total revenues	<u>499</u>	<u>25</u>	<u>5,995</u>
Expenditures			
General government	433	-	-
Public safety	-	-	-
Highways and streets	-	-	-
Sanitation	-	4	-
Health	-	-	6,210
Welfare	-	-	-
Culture and recreation	-	-	-
Education	-	-	-
Total expenditures	<u>433</u>	<u>4</u>	<u>6,210</u>
Excess (deficiency) of revenues over expenditures	<u>66</u>	<u>21</u>	<u>(215)</u>
Other financing sources (uses):			
Transfers in	-	-	1,207
Transfers out	-	-	(791)
Proceeds from the sale of capital assets	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>416</u>
Net change in fund balances	66	21	201
Fund balances - beginning	423	2	3,581
Changes in nonspendable resources:			
Increase in inventories	-	-	-
Increase in prepaid items	-	-	-
Fund balances - ending	<u>\$ 489</u>	<u>\$ 23</u>	<u>\$ 3,782</u>

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2013
(Amounts Expressed in thousands)

	Queen Creek Domestic Water Imprvmnt District	Accom- modation School	Total
Revenues			
Taxes	\$ 16	3,086	\$ 10,895
Licenses and permits	-	-	1,794
Intergovernmental	-	2,352	28,628
Charges for services	-	8	5,015
Fines and forfeits	-	-	2,314
Investment earnings	-	7	116
Contributions	-	4	792
Rentals	-	-	330
Miscellaneous	-	106	584
Total revenues	<u>16</u>	<u>5,563</u>	<u>50,468</u>
Expenditures			
General government	42	-	763
Public safety	-	-	22,200
Highways and streets	-	-	4,334
Sanitation	-	-	308
Health	-	-	10,212
Wefare	-	-	6,913
Culture and recreation	-	-	1,888
Education	-	5,528	5,528
Total expenditures	<u>42</u>	<u>5,528</u>	<u>52,146</u>
Excess (deficiency) of revenues over expenditures	<u>(26)</u>	<u>35</u>	<u>(1,678)</u>
Other financing sources (uses):			
Transfers in	-	-	2,415
Transfers out	-	-	(8,904)
Proceeds from the sale of capital assets	-	-	99
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(6,390)</u>
Net change in fund balances	(26)	35	(8,068)
Fund balances - beginning	26	2,206	48,713
Changes in nonspendable resources:			
Increase in inventories	-	-	8
Increase in prepaid items	-	-	2
Fund balances - ending	<u>\$ -</u>	<u>\$ 2,241</u>	<u>\$ 40,655</u>

PINAL COUNTY
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2013
(Amounts expressed in thousands)

	Capital Projects Miscellaneous	Public Works Gantzel Road Fund	Kelvin Road Bridge Construction
Assets			
Cash, cash equivalents and investments	\$ 4,337	\$ 1,610	\$ 4,658
Property taxes	-	-	-
Receivables (net):			
Accounts	-	-	1
Due from other funds	11	-	-
Total assets	\$ 4,348	\$ 1,610	\$ 4,659
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ 307	\$ 68	\$ 52
Due to other funds	16	-	-
Deposits held for others	-	3	-
Total liabilities	323	71	52
Fund Balances:			
Restricted	1,553	1,539	4,607
Assigned	2,472	-	-
Total fund balances	4,025	1,539	4,607
Total liabilities and fund balances	\$ 4,348	\$ 1,610	\$ 4,659

PINAL COUNTY
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2013
(Amounts expressed in thousands)

	Health Clinics and Courthouse Capital Projects	Fairgrounds Construction Capital Projects	Total
Assets			
Cash, cash equivalents and investments	\$ -	\$ 228	\$ 10,833
Property taxes	-	-	-
Receivables (net):			
Accounts	-	-	1
Due from other funds	4	-	15
Total assets	\$ 4	\$ 228	\$ 10,849
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ 4	\$ 71	\$ 502
Due to other funds	-	-	16
Deposits held for others	-	-	3
Total liabilities	4	71	521
Fund Balances:			
Restricted	-	-	7,699
Assigned	-	157	2,629
Total fund balances	-	157	10,328
Total liabilities and fund balances	\$ 4	\$ 228	\$ 10,849

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Capital Projects Funds
Year Ended June 30, 2013
(Amounts expressed in thousands)

	Capital Projects Miscellaneous	Public Works Gantzel Road Fund	Kelvin Road Bridge Construction
Revenues			
Investment earnings	\$ -	\$ 4	\$ 13
Total revenues	<u>-</u>	<u>4</u>	<u>13</u>
Expenditures			
Capital outlay	3,459	103	158
Total expenditures	<u>3,459</u>	<u>103</u>	<u>158</u>
Deficiency of revenues over expenditures	<u>(3,459)</u>	<u>(99)</u>	<u>(145)</u>
Other financing sources (uses):			
Transfers in	3,927	-	-
Transfers out	<u>(1,587)</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>2,340</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(1,119)	(99)	(145)
Fund balances - beginning	<u>5,144</u>	<u>1,638</u>	<u>4,752</u>
Fund balances - ending	<u>\$ 4,025</u>	<u>\$ 1,539</u>	<u>\$ 4,607</u>

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Capital Projects Funds
Year Ended June 30, 2013
(Amounts expressed in thousands)

	Health Clinics and Courthouse Capital Projects	Fairgrounds Construction Capital Projects	Total
Revenues			
Investment earnings	\$ 5	\$ 1	\$ 23
Total revenues	5	1	23
Expenditures			
Capital outlay	2,658	71	6,449
Total expenditures	2,658	71	6,449
Deficiency of revenues over expenditures	(2,653)	(70)	(6,426)
Other financing sources (uses):			
Transfers in	-	-	3,927
Transfers out	(2,036)	-	(3,623)
Total other financing sources (uses)	(2,036)	-	304
Net change in fund balances	(4,689)	(70)	(6,122)
Fund balances - beginning	4,689	227	16,450
Fund balances - ending	\$ -	\$ 157	\$ 10,328

PINAL COUNTY
Combining Balance Sheet
Nonmajor Debt Service Funds
June 30, 2013

(Amounts expressed in thousands)

	Debt Service	Total
Assets		
Cash, cash equivalents and investments	\$ 2,103	\$ 2,103
Cash and investments held by trustees	4,976	4,976
Total assets	\$ 7,079	\$ 7,079
Liabilities and Fund Balances		
Liabilities:		
Loan payable	\$ -	\$ -
Interest payable	-	-
Total liabilities	-	-
Fund Balances:		
Restricted	5,288	5,288
Assigned	1,791	1,791
Total fund balance	7,079	7,079
Total liabilities and fund balances	\$ 7,079	\$ 7,079

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Debt Service Funds
Year Ended June 30, 2013
(Amounts expressed in thousands)

	Debt Service	Total
Revenues		
Investment earnings	\$ 6	\$ 6
Total revenues	6	6
Expenditures		
Debt Service:		
Principal retirement	10,250	10,250
Interest	6,914	6,914
Miscellaneous	3	3
Total expenditures	17,167	17,167
Deficiency of revenues over expenditures	(17,161)	(17,161)
Other financing sources:		
Transfers in	14,775	14,775
Total other financing sources	14,775	14,775
Net change in fund balances	(2,386)	(2,386)
Fund balances - beginning	9,465	9,465
Fund balances - ending	\$ 7,079	\$ 7,079

PINAL COUNTY
Special Revenue Funds - Adult Probation
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2013
(Amounts expressed in thousands)

ADULT PROBATION	<u>Budgeted Amounts</u>		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 2,757	\$ 2,906	\$ 2,970	\$ 64
Charges for services	600	600	840	240
Investment earnings	-	-	2	2
Total revenues	<u>3,357</u>	<u>3,506</u>	<u>3,812</u>	<u>306</u>
Expenditures				
Public safety	3,744	3,893	3,478	415
Total expenditures	<u>3,744</u>	<u>3,893</u>	<u>3,478</u>	<u>415</u>
Excess (deficiency) of revenues over expenditures	<u>(387)</u>	<u>(387)</u>	<u>334</u>	<u>721</u>
Other financing sources (uses):				
Transfers in	803	935	-	(935)
Transfers out	(806)	(938)	(4)	934
Total other financing sources (uses)	<u>(3)</u>	<u>(3)</u>	<u>(4)</u>	<u>(1)</u>
Net change in fund balances	(390)	(390)	330	720
Fund balances, beginning	390	390	549	159
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 879</u>	<u>\$ 879</u>

PINAL COUNTY
Special Revenue Funds - Air Quality
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2013
(Amounts expressed in thousands)

AIR QUALITY	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Licenses and permits	\$ 1,048	\$ 1,036	\$ (12)
Intergovernmental	82	96	14
Total revenues	<u>1,130</u>	<u>1,132</u>	<u>2</u>
Expenditures			
Health	1,439	1,177	262
Total expenditures	<u>1,439</u>	<u>1,177</u>	<u>262</u>
Deficiency of revenues over expenditures	<u>(309)</u>	<u>(45)</u>	<u>264</u>
Other financing uses:			
Transfers out	(186)	(186)	-
Total other financing uses	<u>(186)</u>	<u>(186)</u>	<u>-</u>
Net change in fund balances	(495)	(231)	264
Fund balances, beginning	495	884	389
Fund balances, ending	<u>\$ -</u>	<u>\$ 653</u>	<u>\$ 653</u>

PINAL COUNTY
Special Revenue Funds - Animal Control
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2013
(Amounts expressed in thousands)

ANIMAL CONTROL	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Taxes	\$ -	\$ 40	\$ 40
Licenses and permits	240	201	(39)
Intergovernmental	-	4	4
Charges for services	220	299	79
Fines and forfeits	25	11	(14)
Investment earnings	-	4	4
Contributions	20	22	2
Miscellaneous	-	1	1
Total revenues	<u>505</u>	<u>582</u>	<u>77</u>
Expenditures			
Health	<u>2,000</u>	<u>2,476</u>	<u>(476)</u>
Total expenditures	<u>2,000</u>	<u>2,476</u>	<u>(476)</u>
Deficiency of revenues over expenditures	<u>(1,495)</u>	<u>(1,894)</u>	<u>(399)</u>
Other financing sources (uses):			
Transfers in	8	-	(8)
Transfers out	<u>(18)</u>	<u>(10)</u>	<u>8</u>
Total other financing sources (uses)	<u>(10)</u>	<u>(10)</u>	<u>-</u>
Net change in fund balances	(1,505)	(1,904)	(399)
Fund balances, beginning	1,505	2,087	582
Fund balances, ending	<u>\$ -</u>	<u>\$ 183</u>	<u>\$ 183</u>

PINAL COUNTY
Special Revenue Funds - Attorney
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2013
(Amounts expressed in thousands)

ATTORNEY	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 3,060	\$ 3,142	\$ 2,680	\$ (462)
Charges for services	52	52	123	71
Fines and forfeits	1,637	2,116	2,269	153
Investment earnings	17	17	14	(3)
Contributions	-	-	37	37
Miscellaneous	38	38	80	42
Total revenues	<u>4,804</u>	<u>5,365</u>	<u>5,203</u>	<u>(162)</u>
Expenditures				
Public safety	5,337	6,534	5,460	1,074
Total expenditures	<u>5,337</u>	<u>6,534</u>	<u>5,460</u>	<u>1,074</u>
Deficiency of revenues over expenditures	<u>(533)</u>	<u>(1,169)</u>	<u>(257)</u>	<u>912</u>
Other financing sources (uses):				
Transfers in	588	631	425	(206)
Transfers out	(255)	(968)	(714)	254
Proceeds from the sale of capital assets	-	-	97	97
Total other financing sources (uses)	<u>333</u>	<u>(337)</u>	<u>(192)</u>	<u>145</u>
Net change in fund balances	(200)	(1,506)	(449)	1,057
Fund balances, beginning	200	1,506	4,985	3,479
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,536</u>	<u>\$ 4,536</u>

PINAL COUNTY
Special Revenue Funds - Clerk of Courts
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2013
(Amounts expressed in thousands)

CLERK OF COURTS	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Charges for services	\$ 515	\$ 511	\$ 539	\$ 28
Investment earnings	9	9	6	(3)
Total revenues	<u>524</u>	<u>520</u>	<u>545</u>	<u>25</u>
Expenditures				
Public safety	423	573	468	105
Total expenditures	<u>423</u>	<u>573</u>	<u>468</u>	<u>105</u>
Excess (deficiency) of revenues over expenditures	<u>101</u>	<u>(53)</u>	<u>77</u>	<u>130</u>
Other financing uses:				
Transfers out	(176)	(972)	(970)	2
Total other financing uses	<u>(176)</u>	<u>(972)</u>	<u>(970)</u>	<u>2</u>
Net change in fund balances	(75)	(1,025)	(893)	132
Fund balances, beginning	75	1,025	2,696	1,671
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,803</u>	<u>\$ 1,803</u>

PINAL COUNTY
Special Revenue Funds - Old Courthouse Preservation
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2013
(Amounts expressed in thousands)

OLD COURTHOUSE PRESERVATION	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Contributions	\$ 10	\$ -	\$ (10)
Total revenues	<u>10</u>	<u>-</u>	<u>(10)</u>
Expenditures			
General government	10	-	10
Total expenditures	<u>10</u>	<u>-</u>	<u>10</u>
Net change in fund balances	-	-	-
Fund balances, beginning	-	-	-
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

PINAL COUNTY
Special Revenue Funds - Courts
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2013
(Amounts expressed in thousands)

COURTS	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 712	\$ 712	\$ 588	\$ (124)
Charges for services	515	515	584	69
Investment earnings	13	13	7	(6)
Miscellaneous	15	15	7	(8)
Total revenues	<u>1,255</u>	<u>1,255</u>	<u>1,186</u>	<u>(69)</u>
Expenditures				
Public safety	3,933	3,933	1,827	2,106
Total expenditures	<u>3,933</u>	<u>3,933</u>	<u>1,827</u>	<u>2,106</u>
Deficiency of revenues over expenditures	<u>(2,678)</u>	<u>(2,678)</u>	<u>(641)</u>	<u>2,037</u>
Other financing sources (uses):				
Transfers in	640	640	552	(88)
Transfers out	-	(595)	(595)	-
Total other financing sources (uses)	<u>640</u>	<u>45</u>	<u>(43)</u>	<u>(88)</u>
Net change in fund balances	(2,038)	(2,633)	(684)	1,949
Fund balances, beginning	<u>2,038</u>	<u>2,633</u>	<u>3,094</u>	<u>461</u>
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,410</u>	<u>\$ 2,410</u>

PINAL COUNTY
Special Revenue Funds - Employee Wellness
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2013
(Amounts expressed in thousands)

EMPLOYEE WELLNESS	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Total revenues	-	-	-
Expenditures			
Health	50	6	44
Total expenditures	50	6	44
Deficiency of revenues over expenditures	(50)	(6)	44
Net change in fund balances	(50)	(6)	44
Fund balances, beginning	50	50	-
Fund balances, ending	\$ -	\$ 44	\$ 44

PINAL COUNTY
Special Revenue Funds - Health Services
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2013
(Amounts expressed in thousands)

HEALTH SERVICES	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 97	\$ 97	\$ 97	\$ -
Investment earnings	-	-	1	1
Total revenues	<u>97</u>	<u>97</u>	<u>98</u>	<u>1</u>
Expenditures				
Health	178	213	196	17
Total expenditures	<u>178</u>	<u>213</u>	<u>196</u>	<u>17</u>
Deficiency of revenues over expenditures	<u>(81)</u>	<u>(116)</u>	<u>(98)</u>	<u>18</u>
Other financing uses:				
Transfers out	-	(150)	(150)	-
Total other financing uses	<u>-</u>	<u>(150)</u>	<u>(150)</u>	<u>-</u>
Net change in fund balances	<u>(81)</u>	<u>(266)</u>	<u>(248)</u>	<u>18</u>
Fund balances, beginning	81	266	303	37
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 55</u>	<u>\$ 55</u>

PINAL COUNTY
Special Revenue Funds - Justice Courts
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2013
(Amounts expressed in thousands)

JUSTICE COURTS	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Charges for services	\$ 943	\$ 947	\$ 1,045	\$ 98
Investment earnings	-	-	6	6
Total revenues	<u>943</u>	<u>947</u>	<u>1,051</u>	<u>104</u>
Expenditures				
Public safety	1,089	1,089	522	567
Total expenditures	<u>1,089</u>	<u>1,089</u>	<u>522</u>	<u>567</u>
Excess (deficiency) of revenues over expenditures	<u>(146)</u>	<u>(142)</u>	<u>529</u>	<u>671</u>
Other financing uses:				
Transfers out	(326)	(2,175)	(2,150)	25
Total other financing uses	<u>(326)</u>	<u>(2,175)</u>	<u>(2,150)</u>	<u>25</u>
Net change in fund balances	(472)	(2,317)	(1,621)	696
Fund balances, beginning	472	2,317	3,009	692
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,388</u>	<u>\$ 1,388</u>

PINAL COUNTY
Special Revenue Funds - Juvenile Probation
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2013
(Amounts expressed in thousands)

JUVENILE PROBATION	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 2,504	\$ 2,414	\$ 2,315	\$ (99)
Charges for services	156	156	202	46
Investment earnings	-	-	2	2
Miscellaneous	-	-	1	1
Total revenues	<u>2,660</u>	<u>2,570</u>	<u>2,520</u>	<u>(50)</u>
Expenditures				
Public safety	3,099	3,004	2,504	500
Total expenditures	<u>3,099</u>	<u>3,004</u>	<u>2,504</u>	<u>500</u>
Excess (deficiency) of revenues over expenditures	<u>(439)</u>	<u>(434)</u>	<u>16</u>	<u>450</u>
Other financing sources (uses):				
Transfers in	8	9	8	(1)
Transfers out	(2)	(358)	(352)	6
Total other financing sources (uses)	<u>6</u>	<u>(349)</u>	<u>(344)</u>	<u>5</u>
Net change in fund balances	<u>(433)</u>	<u>(783)</u>	<u>(328)</u>	<u>455</u>
Fund balances, beginning	433	783	827	44
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 499</u>	<u>\$ 499</u>

PINAL COUNTY
Special Revenue Funds - Local Transport Assist Grant
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2013
(Amounts expressed in thousands)

LOCAL TRANSPORT ASSIST GRANT	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Intergovernmental	\$ -	\$ 142	\$ 142
Charges for services	3	2	(1)
Investment earnings	3	1	(2)
Total revenues	<u>6</u>	<u>145</u>	<u>139</u>
Expenditures			
Health	<u>167</u>	<u>147</u>	<u>20</u>
Total expenditures	<u>167</u>	<u>147</u>	<u>20</u>
Deficiency of revenues over expenditures	<u>(161)</u>	<u>(2)</u>	<u>159</u>
Other financing sources:			
Proceeds from the sale of capital assets	<u>-</u>	<u>2</u>	<u>2</u>
Total other financing sources	<u>-</u>	<u>2</u>	<u>2</u>
Net change in fund balances	(161)	-	161
Fund balances, beginning	<u>161</u>	<u>45</u>	<u>(116)</u>
Fund balances, ending	<u>\$ -</u>	<u>\$ 45</u>	<u>\$ 45</u>

PINAL COUNTY
Special Revenue Funds - Library Grants
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2013
(Amounts expressed in thousands)

LIBRARY GRANTS	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Intergovernmental	\$ 60	\$ 60	\$ -
Total revenues	<u>60</u>	<u>60</u>	<u>-</u>
Expenditures			
Culture and recreation	60	60	-
Total expenditures	<u>60</u>	<u>60</u>	<u>-</u>
Net change in fund balance	-	-	-
Fund balances, beginning	-	3	3
Fund balances, ending	<u>\$ -</u>	<u>\$ 3</u>	<u>\$ 3</u>

PINAL COUNTY
Special Revenue Funds - Miscellaneous Grants
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2013
(Amounts expressed in thousands)

MISCELLANEOUS GRANTS	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 419	\$ 443	\$ 280	\$ (163)
Miscellaneous	-	-	5	5
Total revenues	<u>419</u>	<u>443</u>	<u>285</u>	<u>(158)</u>
Expenditures				
General government	602	603	278	325
Public safety	<u>22</u>	<u>45</u>	<u>10</u>	<u>35</u>
Total expenditures	<u>624</u>	<u>648</u>	<u>288</u>	<u>360</u>
Deficiency of revenues over expenditures	<u>(205)</u>	<u>(205)</u>	<u>(3)</u>	<u>202</u>
Net change in fund balances	(205)	(205)	(3)	202
Fund balances, beginning	205	205	16	(189)
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13</u>	<u>\$ 13</u>

PINAL COUNTY
Special Revenue Funds - Public Defender
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2013
(Amounts expressed in thousands)

PUBLIC DEFENDER	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 28	\$ 28	\$ 27	\$ (1)
Total revenues	28	28	27	(1)
Expenditures				
Public safety	134	134	115	19
Total expenditures	134	134	115	19
Deficiency of revenues over expenditures	(106)	(106)	(88)	18
Other financing sources (uses):				
Transfers in	105	106	99	(7)
Transfers out	-	(60)	(60)	-
Total other financing sources (uses)	105	46	39	(7)
Net change in fund balances	(1)	(60)	(49)	11
Fund balances, beginning	1	60	141	81
Fund balances, ending	\$ -	\$ -	\$ 92	\$ 92

PINAL COUNTY
Special Revenue Funds - Public Works Roadways
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2013
(Amounts expressed in thousands)

PUBLIC WORKS ROADWAYS	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Licenses and permits	\$ 85	\$ 546	\$ 461
Charges for services	433	203	(230)
Investment earnings	25	14	(11)
Contributions	-	619	619
Total revenues	543	1,382	839
Expenditures			
Highways and streets	2,057	617	1,440
Total expenditures	2,057	617	1,440
Excess (deficiency) of revenues over expenditures	(1,514)	765	2,279
Net change in fund balances	(1,514)	765	2,279
Fund balances, beginning	1,514	4,842	3,328
Fund balances, ending	\$ -	\$ 5,607	\$ 5,607

PINAL COUNTY
Special Revenue Funds - Public Works Services
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2013
(Amounts expressed in thousands)

PUBLIC WORKS SERVICES	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Intergovernmental	\$ 630	\$ 477	\$ (153)
Charges for services	4	6	2
Investment earnings	3	1	(2)
Total revenues	<u>637</u>	<u>484</u>	<u>(153)</u>
Expenditures			
Public safety	573	390	183
Sanitation	367	304	63
Total expenditures	<u>940</u>	<u>694</u>	<u>246</u>
Deficiency of revenues over expenditures	<u>(303)</u>	<u>(210)</u>	<u>93</u>
Other financing sources:			
Transfers in	303	33	(270)
Total other financing sources	<u>303</u>	<u>33</u>	<u>(270)</u>
Net change in fund balances	-	(177)	(177)
Fund balances, beginning	-	921	921
Fund balances, ending	<u>\$ -</u>	<u>\$ 744</u>	<u>\$ 744</u>

PINAL COUNTY
Special Revenue Funds - Sheriff
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2013
(Amounts expressed in thousands)

SHERIFF	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 6,233	\$ 7,836	\$ 6,880	\$ (956)
Charges for services	891	891	321	(570)
Fines and forfeits	313	313	34	(279)
Investment earnings	6	6	2	(4)
Contributions	-	-	12	12
Miscellaneous	-	-	7	7
Total revenues	<u>7,443</u>	<u>9,046</u>	<u>7,256</u>	<u>(1,790)</u>
Expenditures				
Public safety	8,595	9,930	7,426	2,504
Total expenditures	<u>8,595</u>	<u>9,930</u>	<u>7,426</u>	<u>2,504</u>
Deficiency of revenues over expenditures	<u>(1,152)</u>	<u>(884)</u>	<u>(170)</u>	<u>714</u>
Other financing sources (uses):				
Transfers in	104	104	91	(13)
Transfers out	(87)	(97)	(97)	-
Proceeds from the sale of capital assets	300	300	-	(300)
Total other financing sources (uses)	<u>317</u>	<u>307</u>	<u>(6)</u>	<u>(313)</u>
Net change in fund balances	(835)	(577)	(176)	401
Fund balances, beginning	835	577	851	274
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 675</u>	<u>\$ 675</u>

PINAL COUNTY
Special Revenue Funds - Treasurer
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2013
(Amounts expressed in thousands)

TREASURER	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Charges for services	\$ 30	\$ 64	\$ 34
Total revenues	<u>30</u>	<u>64</u>	<u>34</u>
Expenditures			
General government	75	10	65
Total expenditures	<u>75</u>	<u>10</u>	<u>65</u>
Excess (deficiency) of revenues over expenditures	<u>(45)</u>	<u>54</u>	<u>99</u>
Net change in fund balance	(45)	54	99
Fund balances, beginning	45	127	82
Fund balances, ending	<u>\$ -</u>	<u>\$ 181</u>	<u>\$ 181</u>

PINAL COUNTY
Special Revenue Funds - Housing Grants
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2013
(Amounts expressed in thousands)

HOUSING GRANTS	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 5,858	\$ 6,020	\$ 6,377	\$ 357
Rentals	-	-	322	322
Miscellaneous	1,230	1,230	83	(1,147)
Total revenues	<u>7,088</u>	<u>7,250</u>	<u>6,782</u>	<u>(468)</u>
Expenditures				
Welfare	7,108	7,248	6,913	335
Total expenditures	<u>7,108</u>	<u>7,248</u>	<u>6,913</u>	<u>335</u>
Excess (deficiency) of revenues over expenditures	<u>(20)</u>	<u>2</u>	<u>(131)</u>	<u>(133)</u>
Other financing sources (uses):				
Transfers in	20	-	-	-
Transfers out	-	(2)	(1)	1
Total other financing sources (uses)	<u>20</u>	<u>(2)</u>	<u>(1)</u>	<u>1</u>
Net change in fund balance	-	-	(132)	(132)
Fund balances, beginning	-	-	760	760
Changes in nonspendable resources:				
Increase in inventories	-	-	8	8
Increase in prepaid items	-	-	2	2
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 638</u>	<u>\$ 638</u>

PINAL COUNTY
Special Revenue Funds - Flood Control District
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2013
(Amounts expressed in thousands)

FLOOD CONTROL DISTRICT	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Taxes	\$ 3,100	\$ 3,100	\$ 3,052	\$ (48)
Licenses and permits	-	-	11	11
Intergovernmental	-	-	155	155
Charges for services	-	-	8	8
Investment earnings	40	40	36	(4)
Miscellaneous	-	-	201	201
Total revenues	<u>3,140</u>	<u>3,140</u>	<u>3,463</u>	<u>323</u>
Expenditures				
Highways and streets	7,830	7,830	3,700	4,130
Total expenditures	<u>7,830</u>	<u>7,830</u>	<u>3,700</u>	<u>4,130</u>
Deficiency of revenues over expenditures	<u>(4,690)</u>	<u>(4,690)</u>	<u>(237)</u>	<u>4,453</u>
Other financing uses:				
Transfers out	(1,215)	(2,365)	(1,205)	1,160
Total other financing uses	<u>(1,215)</u>	<u>(2,365)</u>	<u>(1,205)</u>	<u>1,160</u>
Net change in fund balances	(5,905)	(7,055)	(1,442)	5,613
Fund balances, beginning	5,905	7,055	14,127	7,072
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,685</u>	<u>\$ 12,685</u>

PINAL COUNTY
Special Revenue Funds - Library District
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2013
(Amounts expressed in thousands)

LIBRARY DISTRICT	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Taxes	\$ 2,070	\$ 2,070	\$ 2,106	\$ 36
Intergovernmental	30	30	76	46
Investment earnings	8	8	5	(3)
Miscellaneous	85	85	85	-
Total revenues	<u>2,193</u>	<u>2,193</u>	<u>2,272</u>	<u>79</u>
Expenditures				
Culture and recreation	2,073	2,073	1,828	245
Total expenditures	<u>2,073</u>	<u>2,073</u>	<u>1,828</u>	<u>245</u>
Excess of revenues over expenditures	<u>120</u>	<u>120</u>	<u>444</u>	<u>324</u>
Other financing uses:				
Transfers out	(620)	(1,620)	(1,619)	1
Total other financing uses	<u>(620)</u>	<u>(1,620)</u>	<u>(1,619)</u>	<u>1</u>
Net change in fund balances	(500)	(1,500)	(1,175)	325
Fund balances, beginning	500	1,500	2,156	656
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 981</u>	<u>\$ 981</u>

PINAL COUNTY
Special Revenue Funds - Lighting Special Districts
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2013
(Amounts expressed in thousands)

LIGHTING SPECIAL DISTRICTS	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Taxes	\$ 19	\$ 21	\$ 2
Total revenues	<u>19</u>	<u>21</u>	<u>2</u>
Expenditures			
Highways and streets	21	17	4
Total expenditures	<u>21</u>	<u>17</u>	<u>4</u>
Excess (deficiency) of revenues over expenditures	<u>(2)</u>	<u>4</u>	<u>6</u>
Net change in fund balance	(2)	4	6
Fund balances, beginning	2	2	-
Fund balances, ending	<u>\$ -</u>	<u>\$ 6</u>	<u>\$ 6</u>

PINAL COUNTY
Special Revenue Funds - Miscellaneous Fees
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2013
(Amounts expressed in thousands)

MISCELLANEOUS FEES	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Charges for services	\$ 536	\$ 490	\$ (46)
Investment earnings	-	1	1
Rentals	10	8	(2)
Total revenues	<u>546</u>	<u>499</u>	<u>(47)</u>
Expenditures			
General government	<u>586</u>	<u>433</u>	<u>153</u>
Total expenditures	<u>586</u>	<u>433</u>	<u>153</u>
Excess (deficiency) of revenues over expenditures	<u>(40)</u>	<u>66</u>	<u>106</u>
Net change in fund balances	(40)	66	106
Fund balances, beginning	<u>40</u>	<u>423</u>	<u>383</u>
Fund balances, ending	<u>\$ -</u>	<u>\$ 489</u>	<u>\$ 489</u>

PINAL COUNTY
Special Revenue Funds - Desert Vista Sanitation District
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2013
(Amounts expressed in thousands)

DESERT VISTA SANITATION DISTRICT	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Taxes	\$ 58	\$ 25	\$ (33)
Total revenues	<u>58</u>	<u>25</u>	<u>(33)</u>
Expenditures			
Sanitation	<u>59</u>	<u>4</u>	<u>55</u>
Total expenditures	<u>59</u>	<u>4</u>	<u>55</u>
Excess (deficiency) of revenues over expenditures	<u>(1)</u>	<u>21</u>	<u>22</u>
Net change in fund balance	(1)	21	22
Fund balances, beginning	1	2	1
Fund balances, ending	<u>\$ -</u>	<u>\$ 23</u>	<u>\$ 23</u>

PINAL COUNTY
Special Revenue Funds - Public Health Services District
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2013
(Amounts expressed in thousands)

<u>PUBLIC HEALTH SERVICES DISTRICT</u>	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Taxes	\$ 2,513	\$ 2,549	\$ 36
Intergovernmental	3,248	3,052	(196)
Charges for services	331	281	(50)
Investment earnings	12	7	(5)
Contributions	102	98	(4)
Miscellaneous	-	8	8
Total revenues	<u>6,206</u>	<u>5,995</u>	<u>(211)</u>
Expenditures			
Health	<u>7,097</u>	<u>6,210</u>	<u>887</u>
Total expenditures	<u>7,097</u>	<u>6,210</u>	<u>887</u>
Deficiency of revenues over expenditures	<u>(891)</u>	<u>(215)</u>	<u>676</u>
Other financing sources (uses):			
Transfers in	1,358	1,207	(151)
Transfers out	<u>(942)</u>	<u>(791)</u>	<u>151</u>
Total other financing sources (uses)	<u>416</u>	<u>416</u>	<u>-</u>
Net change in fund balances	(475)	201	676
Fund balances, beginning	475	3,581	3,106
Fund balances, ending	<u>\$ -</u>	<u>\$ 3,782</u>	<u>\$ 3,782</u>

PINAL COUNTY
Special Revenue Funds - Queen Creek
Domestic Water Improvement District
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended June 30, 2013
(Amounts expressed in thousands)

QUEEN CREEK DOMESTIC WATER IMPROVEMENT DISTRICT	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Taxes	\$ 17	\$ 16	\$ (1)
Total revenues	<u>17</u>	<u>16</u>	<u>(1)</u>
Expenditures			
General government	<u>42</u>	<u>42</u>	<u>-</u>
Total expenditures	<u>42</u>	<u>42</u>	<u>-</u>
Deficiency of revenues over expenditures	<u>(25)</u>	<u>(26)</u>	<u>(1)</u>
Net change in fund balance	(25)	(26)	(1)
Fund balances, beginning	<u>25</u>	<u>26</u>	<u>1</u>
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

PINAL COUNTY
Capital Projects Miscellaneous
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended June 30, 2013
(Amounts expressed in thousands)

CAPITAL PROJECTS MISCELLANEOUS	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Total revenues	-	-	-
Expenditures			
Capital outlay	6,381	3,459	2,922
Total expenditures	6,381	3,459	2,922
Deficiency of revenues over expenditures	(6,381)	(3,459)	2,922
Other financing sources (uses):			
Transfers in	4,250	3,927	(323)
Transfers out	(1,587)	(1,587)	-
Total other financing sources (uses)	2,663	2,340	(323)
Net change in fund balances	(3,718)	(1,119)	2,599
Fund balances, beginning	3,718	5,144	1,426
Fund balances, ending	\$ -	\$ 4,025	\$ 4,025

PINAL COUNTY
Capital Projects - Public Works Gantzel Road Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended June 30, 2013
(Amounts expressed in thousands)

PUBLIC WORKS GANTZEL ROAD FUND	Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Investment earnings	\$ -	\$ 4	\$ 4
Total revenues	-	4	4
Expenditures			
Capital outlay	1,505	103	1,402
Total expenditures	1,505	103	1,402
Deficiency of revenues over expenditures	(1,505)	(99)	1,406
Net change in fund balances	(1,505)	(99)	1,406
Fund balances, beginning	1,505	1,638	133
Fund balances, ending	\$ -	\$ 1,539	\$ 1,539

PINAL COUNTY
Capital Projects - Kelvin Road Bridge Construction
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended June 30, 2013
(Amounts expressed in thousands)

KELVIN ROAD BRIDGE CONSTRUCTION	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Investment earnings	20	13	(7)
Total revenues	<u>20</u>	<u>13</u>	<u>(7)</u>
Expenditures			
Capital outlay	4,000	158	3,842
Total expenditures	<u>4,000</u>	<u>158</u>	<u>3,842</u>
Deficiency of revenues over expenditures	<u>(3,980)</u>	<u>(145)</u>	<u>3,835</u>
Net change in fund balances	(3,980)	(145)	3,835
Fund balances, beginning	<u>3,980</u>	<u>4,752</u>	<u>772</u>
Fund balances, ending	<u><u>\$ -</u></u>	<u><u>\$ 4,607</u></u>	<u><u>\$ 4,607</u></u>

PINAL COUNTY
Capital Projects - Health Clinics and Courthouse
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended June 30, 2013
(Amounts expressed in thousands)

HEALTH CLINICS AND COURTHOUSE	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Investment earnings	\$ -	\$ 5	\$ 5
Total revenues	<u>-</u>	<u>5</u>	<u>5</u>
Expenditures			
Capital outlay	4,300	2,658	1,642
Total expenditures	<u>4,300</u>	<u>2,658</u>	<u>1,642</u>
Deficiency of revenues over expenditures	<u>(4,300)</u>	<u>(2,653)</u>	<u>1,647</u>
Other financing uses:			
Transfers out	<u>(2,200)</u>	<u>(2,036)</u>	<u>164</u>
Total other financing uses	<u>(2,200)</u>	<u>(2,036)</u>	<u>164</u>
Net change in fund balances	<u>(6,500)</u>	<u>(4,689)</u>	<u>1,811</u>
Fund balances, beginning	<u>6,500</u>	<u>4,689</u>	<u>(1,811)</u>
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

PINAL COUNTY
Capital Projects - Health Clinics and Courthouse
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended June 30, 2013
(Amounts expressed in thousands)

FAIRGROUNDS CONSTRUCTION	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Investment earnings	\$ -	\$ 1	\$ 1
Total revenues	<u>-</u>	<u>1</u>	<u>1</u>
Expenditures			
Capital outlay	227	71	156
Total expenditures	<u>227</u>	<u>71</u>	<u>156</u>
Deficiency of revenues over expenditures	<u>(227)</u>	<u>(70)</u>	<u>157</u>
Net change in fund balances	(227)	(70)	157
Fund balances, beginning	227	227	-
Fund balances, ending	<u>\$ -</u>	<u>\$ 157</u>	<u>\$ 157</u>

PINAL COUNTY
Debt Service
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended June 30, 2013
(Amounts expressed in thousands)

DEBT SERVICE	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Investment earnings	\$ -	\$ 6	\$ 6
Miscellaneous	-	-	-
Total revenues	<u>-</u>	<u>6</u>	<u>6</u>
Expenditures			
Debt Service			
Principal retirement	10,250	10,250	-
Interest	6,914	6,914	-
Miscellaneous	4	3	1
Total expenditures	<u>17,168</u>	<u>17,167</u>	<u>1</u>
Deficiency of revenues over expenditures	<u>(17,168)</u>	<u>(17,161)</u>	<u>7</u>
Other financing sources:			
Transfers in	14,785	14,775	(10)
Total other financing uses	<u>14,785</u>	<u>14,775</u>	<u>(10)</u>
Net change in fund balances	(2,383)	(2,386)	(3)
Fund balances, beginning	<u>2,383</u>	<u>9,465</u>	<u>7,082</u>
Fund balances, ending	<u>\$ -</u>	<u>\$ 7,079</u>	<u>\$ 7,079</u>

PINAL COUNTY
Combining Statement of Net Position
Nonmajor Enterprise Funds
June 30, 2013

(Amounts expressed in thousands)

	Sheriff Inmate Services	Airport Economic Development	Total
Assets			
Current assets:			
Cash, cash equivalents and investments	\$ 155	\$ 902	\$ 1,057
Receivables (net):			
Accounts receivable	13	-	13
Due from other governments	-	244	244
Total current assets	168	1,146	1,314
Noncurrent assets:			
Capital assets:			
Construction in progress	-	853	853
Buildings and improvements	-	163	163
Machinery and equipment	769	438	1,207
Infrastructure	-	656	656
Less accumulated depreciation	(273)	(337)	(610)
Total noncurrent assets	496	1,773	2,269
Total assets	664	2,919	3,583
Liabilities			
Current liabilities:			
Accounts payable	9	276	285
Accrued payroll and employee benefits	5	2	7
Compensated absences	7	9	16
Retainage payable	-	64	64
Total current liabilities	21	351	372
Noncurrent liabilities:			
Compensated absences	8	9	17
Total noncurrent liabilities	8	9	17
Total liabilities	29	360	389
Net Position			
Net investment in capital assets	496	1,773	2,269
Restricted for public safety	139	-	139
Unrestricted	-	786	786
Total net position	\$ 635	\$ 2,559	\$ 3,194

PINAL COUNTY
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
Nonmajor Enterprise Funds
Year Ended June 30, 2013
(Amounts expressed in thousands)

	Sheriff Inmate Services	Airport Economic Development	Total
Operating revenues			
Rentals	\$ -	\$ 602	\$ 602
Miscellaneous	620	46	666
Total operating revenues	<u>620</u>	<u>648</u>	<u>1,268</u>
Operating expenses			
Long-term health care			
Personal services	242	144	386
Supplies	328	79	407
Depreciation	124	53	177
Repairs and maintenance	31	6	37
Communication	7	-	7
Professional services	99	211	310
Public utility service	-	10	10
Miscellaneous	5	12	17
Total operating expenditures	<u>836</u>	<u>515</u>	<u>1,351</u>
Operating loss	<u>(216)</u>	<u>133</u>	<u>(83)</u>
Nonoperating revenues			
Intergovernmental	-	625	625
Investment earnings	1	2	3
Total nonoperating revenues	<u>1</u>	<u>627</u>	<u>628</u>
Net position (deficit) before transfers	(215)	760	545
Transfers out	<u>(100)</u>	<u>(19)</u>	<u>(119)</u>
Changes in net position	(315)	741	426
Net position - beginning	<u>950</u>	<u>1,818</u>	<u>2,768</u>
Net position - ending	<u>\$ 635</u>	<u>\$ 2,559</u>	<u>\$ 3,194</u>

PINAL COUNTY
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
Year Ended June 30, 2013
(Amounts expressed in thousands)

	Sheriff Inmate Services	Home Health	Airport Economic Develop- ment	Total
Cash flows from operating activities				
Other receipts from operations	\$ 607	\$ -	\$ 648	\$ 1,255
Payments to suppliers and providers of goods and services	(517)	(34)	(257)	(808)
Payments for employee wages and benefits	(240)	-	(141)	(381)
Net cash provided by (used for) operating activities	<u>(150)</u>	<u>(34)</u>	<u>250</u>	<u>66</u>
Cash flows from noncapital financing activities				
Receipts from federal and local agencies	-	-	625	625
Cash transfers to other funds	(100)	-	(19)	(119)
Net cash provided by (used for) noncapital financing activities	<u>(100)</u>	<u>-</u>	<u>606</u>	<u>506</u>
Cash flows from capital and related financing activities				
Purchases of capital assets	(120)	-	(774)	(894)
Net cash used for capital and related financing activities	<u>(120)</u>	<u>-</u>	<u>(774)</u>	<u>(894)</u>
Cash flows from investing activities				
Interest received on investments	1	-	2	3
Net cash provided by investing activities	<u>1</u>	<u>-</u>	<u>2</u>	<u>3</u>
Net increase (decrease) in cash and cash equivalents	(369)	(34)	84	(319)
Cash and cash equivalents - beginning	524	34	818	1,376
Cash and cash equivalents - ending	<u>\$ 155</u>	<u>\$ -</u>	<u>\$ 902</u>	<u>\$ 1,057</u>

(Continued)

PINAL COUNTY
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
Year Ended June 30, 2013
(Concluded)
(Amounts expressed in thousands)

	<u>Sheriff Inmate Services</u>	<u>Home Health</u>	<u>Airport Economic Develop- ment</u>	<u>Total</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:				
Operating income (loss)	\$ (216)	\$ -	\$ 133	\$ (83)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation expense	124	-	53	177
Changes in assets and liabilities:				
Decrease (increase) in assets:				
Accounts receivable	(13)	-	1	(12)
Due from other governments	-	-	(244)	(244)
Increase (decrease) in liabilities:				
Accounts payable	(47)	(34)	241	160
Accrued payroll and employee benefits	1	-	-	1
Due to other funds	-	-	(1)	(1)
Retainage payable	-	-	64	64
Compensated absences	1	-	3	4
Total adjustments	<u>66</u>	<u>(34)</u>	<u>117</u>	<u>149</u>
Net cash provided by (used for) operating activities	<u>\$ (150)</u>	<u>\$ (34)</u>	<u>\$ 250</u>	<u>\$ 66</u>

Non-cash Capital and Related Financing Activities:

Sheriff Inmate Services transferred capital assets with an original cost of \$7 and a net book value of \$0 to the County's general government.

PINAL COUNTY
Combining Statement of Fiduciary Net Position
Investment Trust Funds
June 30, 2013

(Amounts expressed in thousands)

	Treasurer's Pool Investment	Individual Investment Accounts	Total
Assets			
Cash, cash equivalents and investments	\$ 111,925	\$ 393	\$ 112,318
Interest receivable	31	-	31
Total assets	<u>111,956</u>	<u>393</u>	<u>112,349</u>
Liabilities			
Deposits held for others	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Net Position			
Held in trust for investment participants	<u>\$ 111,956</u>	<u>\$ 393</u>	<u>\$ 112,349</u>

PINAL COUNTY
Combining Statement of Fiduciary Net Position
Agency Funds
June 30, 2013

(Amounts expressed in thousands)

	Special Purpose	Other Agency	Total
Assets			
Cash, cash equivalents and investments	\$ 602	\$ 5,570	\$ 6,172
Liabilities			
Deposits held for others	\$ 602	\$ 5,570	\$ 6,172

PINAL COUNTY
Combining Statement of Changes in Fiduciary Net Position
Investment Trust Funds
Year Ended June 30, 2013
(Amounts expressed in thousands)

	Treasurer's Investment Pool	Individual Investment Accounts	Total
Additions			
Contributions by participants	\$ 576,701	\$ -	\$ 576,701
Investment earnings	1,009	-	1,009
Total additions	<u>577,710</u>	<u>-</u>	<u>577,710</u>
Deductions			
Distributions to participants	633,396		633,396
Total distributions	<u>633,396</u>	<u>-</u>	<u>633,396</u>
Change in net position	(55,686)	-	(55,686)
Net position - beginning	<u>167,642</u>	<u>393</u>	<u>168,035</u>
Net position - ending	<u>\$ 111,956</u>	<u>\$ 393</u>	<u>\$ 112,349</u>

PINAL COUNTY
Combining Statement of Changes in Assets and Liabilities
Agency Funds
Year Ended June 30, 2013
(Amounts expressed in thousands)

	<u>Balance July 1, 2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2013</u>
Special Purpose:				
Assets				
Cash, cash equivalents and investments	<u>\$ 724</u>	<u>\$ 1,822</u>	<u>\$ 1,944</u>	<u>\$ 602</u>
Liabilities				
Deposits held for others	<u>\$ 724</u>	<u>\$ 1,822</u>	<u>\$ 1,944</u>	<u>\$ 602</u>
Other Agency:				
Assets				
Cash, cash equivalents and investments	<u>\$ 5,878</u>	<u>\$ 66,307</u>	<u>\$ 66,615</u>	<u>\$ 5,570</u>
Liabilities				
Deposits held for others	<u>\$ 5,878</u>	<u>\$ 66,307</u>	<u>\$ 66,615</u>	<u>\$ 5,570</u>
Total - All Agency Funds				
Assets				
Cash, cash equivalents and investments	<u>\$ 6,602</u>	<u>\$ 68,129</u>	<u>\$ 68,559</u>	<u>\$ 6,172</u>
Liabilities				
Deposits held for others	<u>\$ 6,602</u>	<u>\$ 68,129</u>	<u>\$ 68,559</u>	<u>\$ 6,172</u>

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Statistical Section



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STATISTICAL SECTION

This part of the Pinal County's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

Financial Trends – Schedules on pages 145 thru 149

Financial trend schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

Revenue Capacity – Schedules on pages 150 thru 154

Revenue capacity schedules present information to help the reader assess the County's most significant local revenue, the property tax.

Debt Capacity – Schedules on pages 155 thru 157

Debt capacity schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt.

Demographic and Economic Information – Schedules on pages 158 thru 159

Demographic and Economic information schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

Operating Information – Schedule on page 160 thru 162

Operating information schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year.

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PINAL COUNTY
Net Position by Component
Last Ten Fiscal Years

(Accrual basis of accounting)
(Amounts expressed in thousands)

	Fiscal Year									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
			(as restated)	(as restated)	(as restated)					
Governmental Activities										
Net investment in capital assets	\$ 317,867	\$ 311,004	\$ 306,347	\$ 300,467	\$ 281,244	\$ 232,081	\$ 207,480	\$ 180,340	\$ 44,832	\$ 41,578
Restricted	90,734	94,611	91,943	101,343	105,962	106,422	102,515	67,584	39,872	28,679
Unrestricted	56,415	58,237	57,200	44,931	30,402	33,673	38,378	36,054	31,359	20,408
Total governmental activities net position	<u>\$ 465,016</u>	<u>\$ 463,852</u>	<u>\$ 455,490</u>	<u>\$ 446,741</u>	<u>\$ 417,608</u>	<u>\$ 372,176</u>	<u>\$ 348,373</u>	<u>\$ 283,978</u>	<u>\$ 116,063</u>	<u>\$ 90,665</u>
Business-type Activities										
Net investment in capital assets	\$ 2,269	\$ 1,608	\$ 3,333	\$ 2,341	\$ 2,331	\$ 2,538	\$ 2,787	\$ 2,379	\$ 949	\$ 442
Restricted	139	450	3,426	3,745	2,846	2,836	2,576	255	1,651	2,150
Unrestricted	786	2,663	5,109	4,598	6,005	2,973	1,263	1,196	965	1,579
Total business-type activities net position	<u>\$ 3,194</u>	<u>\$ 4,721</u>	<u>\$ 11,868</u>	<u>\$ 10,684</u>	<u>\$ 11,182</u>	<u>\$ 8,347</u>	<u>\$ 6,626</u>	<u>\$ 3,830</u>	<u>\$ 3,565</u>	<u>\$ 4,171</u>
Net Assets										
Net investment in capital assets	\$ 320,136	\$ 312,612	\$ 309,680	\$ 302,808	\$ 283,575	\$ 234,619	\$ 210,267	\$ 182,719	\$ 45,781	\$ 42,020
Restricted	90,873	95,061	95,369	105,088	108,808	109,258	105,091	67,839	41,523	30,829
Unrestricted	57,201	60,900	62,309	49,529	36,407	36,646	39,641	37,250	32,324	21,987
Total net position	<u>\$ 468,210</u>	<u>\$ 468,573</u>	<u>\$ 467,358</u>	<u>\$ 457,425</u>	<u>\$ 428,790</u>	<u>\$ 380,523</u>	<u>\$ 354,999</u>	<u>\$ 287,808</u>	<u>\$ 119,628</u>	<u>\$ 94,836</u>

PINAL COUNTY
Changes in Net Position
Last Ten Fiscal Years

(Accrual basis of accounting)
(Amounts expressed in thousands)

	Fiscal Year									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Expenses										
Governmental activities										
General government	\$ 43,152	\$ 46,024	\$ 68,581	\$ 67,143	\$ 83,213	\$ 77,216	\$ 54,818	\$ 56,542	\$ 48,091	\$ 44,020
Public safety	116,653	113,497	96,425	93,431	89,530	83,808	73,643	60,481	46,396	37,958
Highways and streets	29,183	28,937	30,614	30,514	40,651	36,697	32,702	25,978	18,206	14,590
Sanitation	324	422	444	707	693	927	719	645	640	854
Health	31,132	33,182	27,702	24,496	28,741	30,530	27,321	24,982	22,846	20,202
Welfare	8,161	6,217	6,017	5,683	5,218	5,576	5,064	4,670	5,207	4,836
Culture and recreation	1,942	2,002	2,116	1,819	2,189	1,354	881	860	714	613
Education	6,431	6,733	9,027	8,487	9,901	10,371	10,861	8,379	7,571	7,235
Interest on long-term debt	6,673	7,039	7,408	7,968	8,065	7,622	8,738	5,134	141	183
Total governmental activities expenses	<u>243,651</u>	<u>244,053</u>	<u>248,334</u>	<u>240,248</u>	<u>268,201</u>	<u>254,101</u>	<u>214,747</u>	<u>187,671</u>	<u>149,812</u>	<u>130,491</u>
Business-type activities										
Long Term Care	68	16,623	61,555	61,404	58,721	53,090	45,116	45,629	40,597	35,611
Sheriff Inmate Services	836	742	519	633	408	311	214	182	176	151
Home Health	-	1,953	6,210	5,117	5,309	4,578	4,177	4,438	3,920	3,565
Fairgrounds	-	85	479	520	643	892	737	692	651	586
Adult Day Care	-	-	-	-	-	153	32	37	28	29
Airport Economic Development (1)	515	417	281	-	-	-	-	-	-	-
Total business-type activities	<u>1,419</u>	<u>19,820</u>	<u>69,044</u>	<u>67,674</u>	<u>65,081</u>	<u>59,024</u>	<u>50,276</u>	<u>50,978</u>	<u>45,372</u>	<u>39,942</u>
Total primary government expenses	<u>\$ 245,070</u>	<u>\$ 263,873</u>	<u>\$ 317,378</u>	<u>\$ 307,922</u>	<u>\$ 333,282</u>	<u>\$ 313,125</u>	<u>\$ 265,023</u>	<u>\$ 238,649</u>	<u>\$ 195,184</u>	<u>\$ 170,433</u>
Program Revenues										
Governmental activities										
Charges for services:										
General government	\$ 4,510	\$ 3,749	\$ 4,963	\$ 5,211	\$ 5,844	\$ 8,898	\$ 12,723	\$ 17,708	\$ 16,125	\$ 12,109
Public Safety	25,615	25,089	26,923	22,596	22,649	21,401	14,318	9,846	9,481	7,115
Other activities	6,170	4,635	4,764	6,480	9,213	14,507	12,249	6,833	5,493	5,151
Operating grants and contributions	33,498	32,172	31,607	34,514	39,364	36,359	37,422	34,611	39,071	40,233
Capital grants and contributions	21,031	23,146	22,157	25,501	58,738	40,345	79,158	35,146	10,763	6,143
Total governmental activities program revenues	<u>90,824</u>	<u>88,791</u>	<u>90,414</u>	<u>94,302</u>	<u>135,808</u>	<u>121,510</u>	<u>155,870</u>	<u>104,144</u>	<u>80,933</u>	<u>70,751</u>

	Fiscal Year									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Business-type activities										
Business-type activities										
Charges for Services										
Long Term Care	-	16,089	62,678	61,588	61,971	55,389	48,201	43,875	40,174	36,576
Home Health	-	2,070	7,253	5,599	5,778	4,039	3,992	4,482	3,980	3,634
Other activities	602	240	304	307	327	499	595	530	457	446
Operating grants and contributions	625	122	705	60	35	91	40	39	38	40
Capital grants and contributions		-	-	-	8	-	-	17	-	-
Total business-type activities program revenues	<u>1,227</u>	<u>18,521</u>	<u>70,940</u>	<u>67,554</u>	<u>68,119</u>	<u>60,018</u>	<u>52,828</u>	<u>48,943</u>	<u>44,649</u>	<u>40,696</u>
Total primary government program revenues	<u>\$ 92,051</u>	<u>\$ 107,312</u>	<u>\$ 161,354</u>	<u>\$ 161,856</u>	<u>\$ 203,927</u>	<u>\$ 181,528</u>	<u>\$ 208,698</u>	<u>\$ 153,087</u>	<u>\$ 125,582</u>	<u>\$ 111,447</u>
Net (expense)/revenue										
Governmental activities	\$ (152,827)	\$ (155,262)	\$ (157,920)	\$ (145,946)	\$ (132,393)	\$ (132,591)	\$ (58,877)	\$ (83,527)	\$ (68,879)	\$ (59,740)
Business-type activities	(192)	(1,299)	1,896	(120)	3,038	994	2,552	(2,035)	(723)	754
Total primary government net expenses	<u>\$ (153,019)</u>	<u>\$ (156,561)</u>	<u>\$ (156,024)</u>	<u>\$ (146,066)</u>	<u>\$ (129,355)</u>	<u>\$ (131,597)</u>	<u>\$ (56,325)</u>	<u>\$ (85,562)</u>	<u>\$ (69,602)</u>	<u>\$ (58,986)</u>
General Revenues and Other Changes in Net Position										
Government Activities										
Taxes:										
Property taxes	\$ 87,584	\$ 93,350	\$ 112,674	\$ 108,755	\$ 96,842	\$ 84,915	\$ 69,978	\$ 61,354	\$ 68,386	\$ 65,725
General county sales tax	12,800	12,460	12,104	12,065	14,103	17,222	18,545	17,540	12,316	-
Share of State sales taxes	27,586	26,700	20,921	18,812	20,496	24,012	25,114	21,868	17,266	15,014
Road improvement tax	6,530	6,341	4,798	4,481	5,220	6,308	6,713	7,260	-	-
Other taxes	15,564	15,056	14,559	14,022	15,784	15,056	12,764	9,878	-	-
Unrestricted share of State lottery	-	-	-	304	431	642	464	561	-	-
Investment earnings:										
Interest on investments	360	690	995	1,504	4,178	6,584	6,931	4,611	1,671	493
Miscellaneous	1,547	2,178	2,007	1,998	1,689	1,307	2,090	989	699	1,579
Reassignment of debt	-	(2,131)	-	-	-	-	-	-	-	-
Transfers	2,020	8,980	1,654	2,559	1,235	348	379	(1,660)	276	423
Total governmental activities	<u>153,991</u>	<u>163,624</u>	<u>169,712</u>	<u>164,500</u>	<u>159,978</u>	<u>156,394</u>	<u>142,978</u>	<u>122,401</u>	<u>100,614</u>	<u>83,234</u>
Business-type activities:										
Investment earnings:										
Interest on investments	7	37	137	198	358	514	260	192	124	72
Miscellaneous	678	964	1,055	858	564	561	363	448	269	205
Reassignment of debt	-	2,131	-	-	-	-	-	-	-	-
Transfers	(2,020)	(8,980)	(1,654)	(2,559)	(1,235)	(348)	(379)	1,660	(276)	(423)
Total business-type activities	<u>(1,335)</u>	<u>(5,848)</u>	<u>(462)</u>	<u>(1,503)</u>	<u>(313)</u>	<u>727</u>	<u>244</u>	<u>2,300</u>	<u>117</u>	<u>(146)</u>
Total primary government	<u>\$ 152,656</u>	<u>\$ 157,776</u>	<u>\$ 169,250</u>	<u>\$ 162,997</u>	<u>\$ 159,665</u>	<u>\$ 157,121</u>	<u>\$ 143,222</u>	<u>\$ 124,701</u>	<u>\$ 100,731</u>	<u>\$ 83,088</u>
Change in Net Position										
Governmental Activities	\$ 1,164	\$ 8,362	\$ 11,792	\$ 18,554	\$ 27,585	\$ 23,803	\$ 84,101	\$ 38,874	\$ 31,735	\$ 23,494
Business-type Activities	(1,527)	(7,147)	1,434	(1,623)	2,725	1,721	2,796	265	(606)	608
Total Primary Government	<u>\$ (363)</u>	<u>\$ 1,215</u>	<u>\$ 13,226</u>	<u>\$ 16,931</u>	<u>\$ 30,310</u>	<u>\$ 25,524</u>	<u>\$ 86,897</u>	<u>\$ 39,139</u>	<u>\$ 31,129</u>	<u>\$ 24,102</u>

(1) Airport Economic Development was reclassified with the implementation of GASB 54 in FY 2011 from governmental activities to business-type activities.

PINAL COUNTY
Fund Balances of Governmental Funds
Last Ten Fiscal Years

(Modified accrual basis of accounting)
(Amounts expressed in thousands)

	Fiscal Year									
	2013	2012	2011 (as restated)	2010 (as restated)	2009 (as restated)	2008	2007	2006	2005	2004
General Fund (1)										
Reserved				\$ 327	\$ 445	\$ 952	\$ 519	\$ 482	\$ 6,866	\$ 1,688
Unreserved				43,210	36,260	41,533	46,078	45,614	31,755	25,618
Nonspendable			\$ 1,344							
Restricted	\$ 715	\$ 715	715							
Unassigned	47,326	43,014	42,309							
Total general fund	<u>\$ 48,041</u>	<u>\$ 43,729</u>	<u>\$ 44,368</u>	<u>\$ 43,537</u>	<u>\$ 36,705</u>	<u>\$ 42,485</u>	<u>\$ 46,597</u>	<u>\$ 46,096</u>	<u>\$ 38,621</u>	<u>\$ 27,306</u>
All Other Governmental Funds (1)										
Reserved				\$ 207	\$ 216	\$ 455	\$ 359	\$ 379	\$ 509	\$ 2,110
Unreserved, reported in:										
Special revenue funds				84,879	80,331	80,187	63,979	43,192	37,617	28,143
Capital projects funds				14,618	18,085	9,973	25,981	65,853	48,224	60
Debt service funds				5,016	5,190	5,151	5,189	8,640	-	-
Nonspendable	\$ 108	\$ 98	\$ 96							
Restricted	91,314	96,598	101,452							
Committed	2,632	4,915	4,539							
Assigned	4,479	8,105	3,163							
Unassigned			(148)							
Total all other governmental funds	<u>\$ 98,533</u>	<u>\$ 109,716</u>	<u>\$ 109,102</u>	<u>\$ 104,720</u>	<u>\$ 103,822</u>	<u>\$ 95,766</u>	<u>\$ 95,508</u>	<u>\$ 118,064</u>	<u>\$ 86,350</u>	<u>\$ 30,313</u>

(1) Starting with f/y 2011, fund balance presentation has changed, due to implementation of GASB 54.

PINAL COUNTY
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years

(Modified accrual basis of accounting)
(Amounts expressed in thousands)

	Fiscal Year									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Revenues										
Taxes	\$ 111,292	\$ 115,068	\$ 130,923	\$ 126,338	\$ 118,505	\$ 109,442	\$ 95,048	\$ 85,688	\$ 70,407	\$ 62,057
Licenses and permits	3,546	3,005	2,758	3,330	3,732	5,796	9,000	12,094	12,769	9,629
Intergovernmental	91,258	91,928	81,164	81,699	92,656	92,114	92,324	82,964	67,226	60,807
Charges for services	29,309	28,925	27,661	27,353	26,538	35,285	26,718	19,370	14,637	12,350
Fines and forfeits	4,152	3,482	4,474	3,381	3,263	3,464	4,905	2,586	3,032	2,396
Investment earnings	360	690	995	1,504	4,178	6,584	6,931	4,611	1,671	493
Contributions	805	393	372	575	1,378	2,608	8,041	10,846	9,571	4,863
Rentals	396	430	524	840	919	791	750	740	661	-
Miscellaneous	1,385	1,138	1,438	1,518	1,315	5,048	1,921	787	699	1,579
Total revenues	242,503	245,059	250,309	246,538	252,484	261,132	245,638	219,686	180,673	154,174
Expenditures										
Current:										
General government	35,916	40,156	66,438	62,495	72,299	72,961	59,789	48,842	55,602	46,973
Public safety	117,950	112,448	96,791	92,175	88,073	82,323	71,114	57,111	43,783	37,297
Highways and streets	26,525	23,140	24,157	24,738	37,498	36,259	30,721	27,712	27,677	24,661
Sanitation	324	422	444	696	679	901	680	583	568	887
Health	31,130	32,945	27,589	24,297	28,567	30,472	27,299	24,606	23,180	20,228
Welfare	7,804	5,902	5,759	6,024	5,396	5,960	5,027	4,636	5,192	4,898
Culture and recreation	1,888	1,906	2,059	2,122	2,220	1,397	879	823	825	600
Education	6,431	6,733	9,027	8,672	9,901	10,371	10,861	8,379	7,571	7,235
Capital outlay	6,449	7,952	7,009	4,218	4,006	19,760	49,181	62,471	22,422	11,254
Debt service:										
Principal retirement	10,746	10,240	11,511	10,953	13,664	7,620	6,131	5,890	1,075	1,040
Interest and fiscal charges	6,982	7,292	7,038	7,804	7,825	7,633	8,352	5,134	141	183
Cost of issuance	-	-	440	-	176	86	-	-	-	-
Other	3	3	4	8	10	11	13	1,316	-	-
Total expenditures	252,148	249,139	258,266	244,202	270,314	275,754	270,047	247,503	188,036	155,256
Excess (deficiency) of revenues over expenditures	(9,645)	(4,080)	(7,957)	2,336	(17,830)	(14,622)	(24,409)	(27,817)	(7,363)	(1,082)
Other financing sources (uses):										
Transfers in	25,265	30,453	29,671	28,383	32,333	20,519	22,698	25,337	6,531	6,470
Transfers out	(23,245)	(25,484)	(28,005)	(25,824)	(31,111)	(20,171)	(22,315)	(25,519)	(6,255)	(6,047)
Proceeds from sale of capital assets	134	341	427	426	374	357	303	321	522	458
Capital lease agreements	-	-	-	2,098	6,083	6,109	1,668	1,096	980	2,873
Loan proceeds	-	-	-	-	12,795	3,695	-	-	-	-
Insurance reimbursement	610	87	126	255	121	98	-	-	-	-
Bond proceeds	-	-	12,000	-	-	-	-	-	-	-
Discount on bonds	-	-	(106)	-	-	-	-	-	-	-
Refunding bonds	-	-	18,380	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	(19,720)	-	-	-	-	-	-	-
Premium on new debt issued	-	-	1,588	-	39	135	-	-	-	-
Loan issued	-	-	-	-	-	-	-	64,886	73,163	-
Total other financing sources	2,764	5,397	14,361	5,338	20,634	10,742	2,354	66,121	74,941	3,754
Net change in fund balances	\$ (6,881)	\$ 1,317	\$ 6,404	\$ 7,674	\$ 2,804	\$ (3,880)	\$ (22,055)	\$ 38,304	\$ 67,578	\$ 2,672
Debt Service as a percentage of noncapital expenditures	8.0%	7.4%	7.6%	8.1%	8.7%	6.4%	7.4%	7.1%	0.7%	0.9%

PINAL COUNTY
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

(Amounts expressed in thousands)

Fiscal Year	Type	Net Assessed Value	Estimated Actual Value	Percent of Net Assessed Value to Estimated Actual Value
2003/04	Primary	\$ 951,824	\$ 7,674,857	12.4%
	Secondary	1,021,719	7,674,857	13.3%
2004/05	Primary	1,061,159	8,633,604	12.3%
	Secondary	1,130,024	9,137,421	12.4%
2005/06	Primary	1,212,971	10,125,096	12.0%
	Secondary	1,277,269	10,600,989	12.0%
2006/07	Primary	1,472,160	12,523,363	11.8%
	Secondary	1,547,005	13,075,849	11.8%
2007/08	Primary	1,908,802	16,552,287	11.5%
	Secondary	2,334,827	20,071,892	11.6%
2008/09	Primary	2,473,500	21,583,423	11.5%
	Secondary	3,449,599	29,689,328	11.6%
2009/10	Primary	2,880,552	25,251,970	11.4%
	Secondary	3,398,761	29,107,137	11.7%
2010/11	Primary	2,546,949	22,166,148	11.5%
	Secondary	2,673,415	22,958,054	11.6%
2011/12	Primary	2,160,151	18,877,720	11.4%
	Secondary	2,218,641	19,219,008	11.5%
2012/13	Primary	2,153,783	18,747,927	11.5%
	Secondary	2,177,012	18,918,839	11.5%

Source: County assessment records

PINAL COUNTY
Taxable Assessed Value and Estimated Actual Value of Property
Last Ten Tax Years

(\$ Amounts expressed in thousands)

<u>Tax Year</u>	<u>Commercial Property</u>	<u>Residential Property</u>	<u>Vacant/Ag Land</u>	<u>Other</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Limited Value</u>	<u>Assessed Value as a Percentage of Limited Value</u>
2003	\$ 311,126	\$ 482,277	\$ 153,496	\$ 4,925	\$ 951,824	4.8287%	\$ 7,674,857	12.40%
2004	326,002	559,659	172,334	3,164	1,061,159	4.8295%	8,633,604	12.29%
2005	340,847	672,221	196,997	2,906	1,212,971	4.8188%	10,125,096	11.98%
2006	367,878	872,284	225,673	6,325	1,472,160	4.6900%	12,523,363	11.76%
2007	406,589	1,186,738	308,491	6,984	1,908,802	4.4036%	16,552,287	11.53%
2008	471,977	1,526,547	467,028	7,948	2,473,500	3.8522%	21,583,423	11.46%
2009	550,729	1,789,488	530,360	9,975	2,880,552	3.6684%	25,251,970	11.41%
2010	561,560	1,470,541	504,035	10,813	2,546,949	4.3213%	22,166,148	11.49%
2011	581,044	1,216,288	353,163	9,656	2,160,151	4.3304%	18,877,720	11.44%
2012	613,223	1,203,181	325,002	12,377	2,153,783	4.1464%	18,747,927	11.49%

Source: Pinal County Assessor's Office/AZDOR Abstract of Assessment Roll

Notes: Property in Pinal County is assessed annually with values being set by either the County Assessor or the Arizona Department of Revenue. The values are the basis for Primary Taxes and annual changes therein are restricted by the State Constitution. Assessment ratios are set by the legislature for individual property types. The taxable assessed value is arrived at by multiplying an assessment ratio that has varied from ten percent for residential property, to twenty-five percent for commercial property. Tax rates are per \$100 of assessed value.

PINAL COUNTY
Direct Property Tax Rates
Last Ten Fiscal Years
(\$ Amounts expressed in thousands)

<u>Fiscal Year</u>	<u>Assessed Value</u>	<u>County Primary Rate</u>	<u>Library</u>	<u>Flood</u>	<u>Fire</u>	<u>Mary C. O'Brien School</u>	<u>Total</u>
2003/04	\$ 951,824	4.4532	0.0570	0.0900	0.0854	0.1431	4.8287
2004/05	1,061,159	4.4532	0.0570	0.0900	0.0862	0.1431	4.8295
2005/06	1,212,971	4.4532	0.0570	0.0900	0.0855	0.1331	4.8188
2006/07	1,472,160	4.3035	0.0570	0.1100	0.0864	0.1331	4.6900
2007/08	1,908,802	4.0183	0.0770	0.1300	0.0522	0.1261	4.4036
2008/09	2,473,500	3.4355	0.0970	0.1500	0.0438	0.1259	3.8522
2009/10	2,880,552	3.2316	0.0970	0.1700	0.0439	0.1259	3.6684
2010/11	2,546,949	3.9999	0.0970	0.1700	0.0544	N/A	4.3213
2011/12	2,160,151	3.9999	0.0970	0.1700	0.0635	N/A	4.3304
2012/13	2,153,783	3.7999	0.0970	0.1700	0.0795	N/A	4.1464

Source: County Tax Records

Note: As of fiscal year 2010/11 the Mary C. O'Brien School rate is included in the County's Primary Rate.

PINAL COUNTY
Principal Property Taxpayers
Current Year and Nine Years Ago
(\$ Amounts expressed in thousands)

<u>Taxpayer</u>	<u>2013</u>			<u>2004</u>		
	<u>Primary Assessed Value</u>	<u>Rank</u>	<u>Percent of Total Value</u>	<u>Primary Assessed Value</u>	<u>Rank</u>	<u>Percent of Total Value</u>
ASARCO LLC / Ray Copper Complex	\$ 102,296	1	4.75%	\$ 14,908	4	1.57%
Arizona Public Service Company	84,565	2	3.93%	42,458	1	4.46%
CCA Properties of Arizona LLC	39,394	3	1.83%	12,429	5	1.31%
Kinder Morgan (former: El Paso Natural Gas Co.)	18,891	4	0.88%	9,487	7	1.00%
Wal-Mart Stores Inc. & East LP	18,668	5	0.87%			
Qwest Corporation	11,615	6	0.54%	19,023	3	2.00%
Arizona Water Co.	11,227	7	0.52%	8,211	9	0.86%
Southwest Gas Corporation	11,069	8	0.51%	8,563	8	0.90%
Johnson Utilities LLC	10,143	9	0.47%			
WP Casa Grande Retail LLC	8,726	10	0.41%			
Reliant Energy Desert Basin LLC				19,054	2	2.00%
BHP Copper Inc/San Manuel Division				11,894	6	1.25%
Union Pacific Railroad				5,394	10	0.57%
Total	<u>\$ 316,594</u>		<u>14.71%</u>	<u>\$ 151,421</u>		<u>15.92%</u>
Total Assessed Value	<u>\$ 2,153,783</u>			<u>\$ 951,824</u>		

Source: County Treasurer Tax Records

PINAL COUNTY
Property Tax Levies and Collections
Last Ten Fiscal Years

(\$ Amounts expressed in thousands)

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2004	\$ 43,845	\$ 39,052	89.07%	\$ 1,147	\$ 40,199	91.68%
2005	49,894	44,200	88.59%	1,285	45,485	91.16%
2006	56,915	50,854	89.35%	1,795	52,649	92.50%
2007	66,916	59,670	89.17%	2,336	62,006	92.66%
2008	81,141	73,935	91.12%	3,519	77,454	95.46%
2009	93,096	85,640	91.99%	4,704	90,344	97.04%
2010	101,628	95,122	93.60%	4,526	99,648	98.05%
2011	109,076	98,065	89.91%	4,546	102,611	94.07%
2012	91,738	81,278	88.60%	4,709	85,987	93.73%
2013	87,103	70,358	80.78%	-	70,358	80.78%

Source: County financial records

PINAL COUNTY
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

(Amounts expressed in thousands, except per capita amount)

Fiscal Year	General Bonded Debt			Other Governmental Activities Debt			
	Pledged Revenue Bonds	Percentage of Actual Taxable Value of Property ¹	Per Capita ²	Certificates of Participation	Special Assessment Bonds	Capital Leases	Loans
2003/2004	\$ -	N/A	N/A	\$ 36,375	\$ 3,365	\$ 4,215	\$ -
2004/2005	-	N/A	N/A	105,590	2,290	4,332	-
2005/2006	-	N/A	N/A	101,480	1,165	4,323	63,220
2006/2007	-	N/A	N/A	97,200	-	4,538	63,220
2007/2008	-	N/A	N/A	92,755	-	9,405	64,755
2008/2009	-	N/A	N/A	87,035	-	12,624	74,805
2009/2010	-	N/A	N/A	83,740	-	10,669	68,863
2010/2011	30,380	1.19%	81	61,685	-	6,985	64,458
2011/2012	30,349	1.40%	79	59,798	-	4,414	62,949
2012/2013	28,434	1.32%	73	57,618	-	2,073	58,361

Fiscal Year	Business -Type Activities			Percentage of Personal Income ²	
	Capital Leases	Loans	Total Primary Government	Per Capita ²	
2003/2004	\$ -	\$ -	\$ 43,955	1.07%	215
2004/2005	-	-	112,212	2.49%	522
2005/2006	-	-	170,188	3.40%	689
2006/2007	-	-	164,958	2.73%	550
2007/2008	171	2,800	169,886	2.37%	518
2008/2009	141	2,800	177,405	2.25%	505
2009/2010	103	2,592	165,967	2.01%	466
2010/2011	69	2,347	165,924	1.87%	441
2011/2012	-	-	157,510	1.69%	411
2012/2013	-	-	146,486	N/A	379

Note: Details regarding the county's outstanding debt can be found in the notes to the financial statements.

During FY11-12 the Long Term Care (LTC) AHCCCS contract was not renewed so services were ended for both LTC and Home Health. Remaining Principal & Interest on Capital Leases and Loans are outstanding debt for Total Primary Government rather than for Business-Type Activities.

¹See Total Taxable assessed Value in the Taxable Assessed Value and Estimated Actual Value of Property schedule on page 151.

²See the Schedule of Demographic and Economic Statistics on page 158 for personal income and population data.

PINAL COUNTY
Legal Debt Margin Information
Last Ten Fiscal Years
(Amounts expressed in thousands)

	Fiscal Year									
	<u>2003/2004</u>	<u>2004/2005</u>	<u>2005/2006</u>	<u>2006/2007</u>	<u>2007/2008</u>	<u>2008/2009</u>	<u>2009/2010</u>	<u>2010/2011</u>	<u>2011/2012</u>	<u>2012/2013</u>
Debt Limit	\$ 61,303	\$ 67,801	\$ 76,636	\$ 92,820	\$ 140,090	\$ 206,976	\$ 203,926	\$ 160,405	\$ 133,118	\$ 130,621
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	<u>\$ 61,303</u>	<u>\$ 67,801</u>	<u>\$ 76,636</u>	<u>\$ 92,820</u>	<u>\$ 140,090</u>	<u>\$ 206,976</u>	<u>\$ 203,926</u>	<u>\$ 160,405</u>	<u>\$ 133,118</u>	<u>\$ 130,621</u>
Total net debt applicable to the limit as a percentage of the debt limit	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

Legal Debt Margin Calculation for Fiscal Year 2012/2013

Assessed Value:	
Secondary	<u>\$ 2,177,012</u>
Debt Limit	<u>\$ 130,621</u>
(6% of total assessed value)	
Debt applicable to limit:	
General Obligation Bonds	-
Less: Amount available in Debt Service Fund	-
Total net debt applicable to limit	-
Legal debt margin	<u>\$ 130,621</u>

Note: General obligation debt may not exceed six percent of the value of the County's taxable property as of the latest assessment. As of the current fiscal year, the County did not have any outstanding general obligation debt.

PINAL COUNTY
Pledged-Revenue Coverage
Last Ten Fiscal Years

(Amounts expressed in thousands)

Fiscal Year	Special Assessment Bonds				HELP Transportation Loan					
	Special Assessment Collections	Debt Service		Coverage	Road Improvements Sales Tax	Less: Operating Expenditures	Net Available Revenue	Debt Service		Coverage
		Principal	Interest					Principal	Interest	
2003/04	\$ 1,280	\$ 1,040	\$ 183	104.66%	N/A	N/A	N/A	N/A	N/A	N/A
2004/05	1,192	1,075	141	98.03%	N/A	N/A	N/A	N/A	N/A	N/A
2005/06	1,187	1,125	96	97.22%	N/A	N/A	N/A	N/A	N/A	N/A
2006/07	1,197	1,165	50	98.52%	N/A	N/A	N/A	N/A	N/A	N/A
2007/08	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2008/09	N/A	N/A	N/A	N/A	\$ 5,220	\$ 4,675	\$ 545	\$ 500	\$ 45	100.00%
2009/10	N/A	N/A	N/A	N/A	4,480	3,945	535	500	35	100.00%
2010/11	N/A	N/A	N/A	N/A	4,798	4,274	524	500	24	100.00%
2011/12	N/A	N/A	N/A	N/A	6,341	5,829	512	500	12	100.00%
2012/13	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

GADA Loans and Pledged Revenue Bonds

Fiscal Year	State Shared Sales Tax							Coverage
	Gross State Shared Sales Tax Revenue(1)	Less: AHCCCS/ALTCS Contributions	Net Available State Shared Sales Tax	County Excise Tax Revenue(1)	Debt Service		Coverage	
					Principal	Interest		
2003/04	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
2004/05	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
2005/06	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
2006/07	\$ 25,114	\$ 10,483	\$ 14,631	N/A	\$ -	\$ 3,462	422.62%	
2007/08	24,012	11,415	12,597	N/A	2,160	2,854	251.24%	
2008/09	20,496	13,358	7,138	\$ 14,103	4,580	3,135	275.32%	
2009/10	18,812	7,385	11,427	12,065	3,315	3,208	360.14%	
2010/11	20,921	10,836	10,085	12,104	4,150	3,605	286.13%	
2011/12	26,700	16,141	10,559	12,460	4,600	4,119	264.01%	
2012/13	27,586	15,236	12,350	12,800	6,310	3,931	245.58%	

Source: County financial and tax records

(1) See Note 9 - Long Term Liabilities, page 47 for details.

PINAL COUNTY
Demographic and Economic Statistics
Last Ten Fiscal Years
(Amounts expressed in thousands)

Fiscal Year	Population¹	Personal Income²	Per Capita Income²	Unemployment Rate¹
2003/04	204	4,107,473	20	5.9%
2004/05	215	4,500,589	21	5.5%
2005/06	247	5,001,332	20	5.0%
2006/07	300	6,041,934	23	4.8%
2007/08	328	7,164,122	24	4.7%
2008/09	351	7,892,358	24	6.6%
2009/10	356	8,259,897	24	12.1%
2010/11	376	8,860,496	24	11.9%
2011/12	383	9,301,723	24	9.2%
2012/13	387	N/A	N/A	9.1%

¹ Population data through 2009/10 and Unemployment data through 2010/11 is obtained from the Arizona Department of Commerce, Arizona Workforce Informer. For 2010/11 the population data is from the U.S. Census Bureau, American FactFinder for the 2010 census. For 2011/12 and 2012/13 the population data is from Quick Facts from the U.S. Census Bureau for 2011 and 2012 population estimates and the Unemployment data is from Arizona Department of Administration, Office of Employment and Population Statistics.

² Personal income and per capita income data is obtained from the Arizona Department of Economic Security, Arizona Regional Economic Profile through 2006/07, from the U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Accounts for 2007/08 through 2011/12.

N/A - Data was not available at the time this report was published.

**PINAL COUNTY
Principal Employers
Current Year and Ten Years Ago**

Employer	2012			2002		
	Employees¹	Rank	Percentage of Total County Employment	Employees¹	Rank	Percentage of Total County Employment
State of Arizona	2,910	1	2.57%	2,950	1	4.20%
County of Pinal	2,471	2	2.18%	1,385	3	1.97%
Corrections Corporation of America	2,430	3	2.14%	1,202	4	1.71%
Gila River Indian Community	2,050	4	1.81%			
Walmart	1,660	5	1.46%			
Pinal County Community College	910	6	0.80%			
Ray Mines Plant	830	7	0.73%			
Hu Hu Kam Memorial Hospital	820	8	0.72%			
Federal Government	820	9	0.72%			
Casa Grande Regional Medical Center	790	10	0.70%	790	6	1.12%
Casa Grande Elementary School District				625	7	0.89%
TRW Inc.				1,700	2	2.42%
ASARCO Inc. (Grupo Mexico)				900	5	1.28%
Desert Valley Care Center				520	8	0.74%
Hexcel Corporation	500			500	9	0.71%
Arch Chemicals; Frito Lay; Mobile Mini*				400	10	0.57%

¹Estimated number of full-time equivalent employees

2011 Source: Central Arizona Association of Governments

2002 Source: FY01-02 Pinal County CAFR

*In 2002, 3 companies employed the same number of people

Note: Schedule contains the most recent information available at time of production, which is 2012.

PINAL COUNTY
Employees by Function
Last Ten Fiscal Years

Employees by Function as of June 30										
Function/Program	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Governmental activities										
General government	330	328	350	409	448	419	384	333	300	279
Public safety	1,340	1,315	1,257	1,313	1,453	1,434	1,356	1,076	929	937
Highways and streets	170	181	181	184	241	224	219	214	170	181
Sanitation	2	3	6	7	8	8	7	8	-	-
Health	148	151	150	167	258	247	205	188	174	177
Welfare	35	33	36	36	43	45	46	44	38	44
Culture and recreation	11	11	12	11	10	9	9	9	8	8
Education	66	70	69	75	65	60	69	52	51	52
Total governmental activities	<u>2,102</u>	<u>2,092</u>	<u>2,061</u>	<u>2,202</u>	<u>2,526</u>	<u>2,446</u>	<u>2,295</u>	<u>1,924</u>	<u>1,670</u>	<u>1,678</u>
Business-type activities										
Long Term Care	-	-	73	80	83	82	79	72	66	71
Sheriff/Inmate Services	2	3	3	3	2	2	2	2	4	2
Home Health	-	-	328	257	152	178	172	249	199	212
Fairgrounds	-	-	4	12	7	6	5	7	7	7
Adult Day Care	-	-	-	-	-	5	1	-	-	-
Airport Economic Development	2	2	2	-	-	-	-	-	-	-
Total business-type activities	<u>4</u>	<u>5</u>	<u>410</u>	<u>352</u>	<u>244</u>	<u>273</u>	<u>259</u>	<u>330</u>	<u>276</u>	<u>292</u>
Total	<u><u>2,106</u></u>	<u><u>2,097</u></u>	<u><u>2,471</u></u>	<u><u>2,554</u></u>	<u><u>2,770</u></u>	<u><u>2,719</u></u>	<u><u>2,554</u></u>	<u><u>2,254</u></u>	<u><u>1,946</u></u>	<u><u>1,970</u></u>

Source:
2009 and prior: County Budget Office projected FTEs and Mary C O'Brien Accommodation School
2010 and after: Pinal County Payroll Records and Mary C O'Brien Accommodation School
*Numbers have been rounded up to accommodate 1/2 employees

Number of General Government employees for 2013 does not include 950 temporary election workers

PINAL COUNTY
Operating Indicators by Function/Program
Last Three Fiscal Years
(\$ Amounts expressed in thousands)

Function/Program	Fiscal Year 2012/13 (1)	Fiscal Year 2011/12	Fiscal Year 2010/11
<u>General Government</u>			
County Assessor			
Number of parcels assessed	247,428	247,344	221,390
County Recorder			
Documents recorded	110,658	104,779	113,844
Development Services			
Building permits issued	3,524	2,937	2,817
Elections			
Active registered voters	156,689	160,985	161,813
Elections held	5	6	4
Ballots cast and counted	160,584	50,361	204,199
Facilities			
Work order requests	16,331	16,962	15,240
Fleet			
Work Orders completed	6,024	6,021	6,325
<u>Public Safety</u>			
County Attorney			
Adult felonies charged	2,036	2,813	2,386
Child support collected	\$ 21,994	\$ 22,383	\$ 22,600
Victim Restitution for bad checks collected	85	\$ 110	\$ 105
Sheriff			
Sworn Deputies	162	207	140
Service calls	104,450	99,122	88,706
Total bookings	17,906	16,172	15,592
Adult Probation			
Probationers (includes absconders)	2,818	3,517	3,511
Community work service hours	30,520	16,445	16,817
Victim restitution collected	\$ 582	\$ 435	\$ 348
Flood Control District			
Floodplain use permit applications received	27	29	45
ALERT gauge installations	4	3	4
<u>Health</u>			
Behavioral Health			
Court ordered evaluations	148	157	174
Forensic Mental Health clients	150	151	159
Public Health			
Birth certificates issued	4,846	4,379	5,520
Death certificates issued	6,546	6,556	8,187
Community health services clients	19,587	20,386	19,758
Immunization visits	7,588	6,540	10,080
WIC clients	98,199	93,411	97,186
<u>Culture and Recreation</u>			
Library District			
Circulation	1,430,329	1,508,320	1,558,678
Website visits	473,197	488,171	579,853
Active Borrowers	60,310	60,032	60,696
<u>Welfare</u>			
Public Fiduciary clients	279	284	279
<u>Education</u>			
Superintendent of Schools			
School districts in Pinal County	20	20	19

Source: County offices of elected officials and departments

(1) Ten years of data is not available, but will be accumulated over time.

PINAL COUNTY
Capital Asset Statistics by Function/Program
Last Three Fiscal Years

Function/Program	Fiscal Year 2012/13 (1)	Fiscal Year 2011/12	Fiscal Year 2010/11
<u>General Government</u>			
Facilities			
Square footage maintained	1,171,460	1,103,847	1,111,174
Fleet			
Vehicles maintained	73	10	11
Superior Court			
Divisions	10	10	10
<u>Public Safety</u>			
Sheriff			
Patrol Vehicles	207	230	160
Fleet			
Vehicles maintained	434	414	390
Flood Control			
Flood ALERT stations	28	26	23
<u>Highways and Streets</u>			
Fleet			
Vehicles maintained	249	182	130
Heavy Equipment maintained	85	191	237
Public Works			
Miles of paved roads	1,023	1,020	1,018
Miles of gravel roads	1,042	1,039	1,050
<u>Sanitation</u>			
Leased Landfill	1	1	1
<u>Health</u>			
Animal Control			
Vehicles used in operations	22	21	14
Fleet			
Med Examiner Vehicles Maintained		2	2
Public Health			
Health facilities	11	11	11
Mobile clinic	1	1	1
<u>Culture and Recreation</u>			
Parks and recreation			
County parks	6	6	5

Source: County offices of elected officials and departments

Some information presented as of most recent date available for the fiscal year.

(1) Ten years of data is not available, but will be accumulated over time.